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FCEC Grouping To Promote Trade Wih Europe

FL3010025793 Bridgetown CANA in English 0000 GMT 30 Oct 93

[Text] London, 29 Oct, CANA—The European Chambers of Commerce in the Dominican Republic, have launched a new organisation which groups together all the local organisations promoting trade between Europe and the Dominican Republic.

A release from the Caribbean Council for Europe said Friday, that the Federacion de Camaras Europeas de Comercio de la Republica Dominicana (FCEC) was launched at a luncheon Thursday in Santo Domingo.

In a welcoming address, executive director of the Caribbean Council for Europe, David Jessop, said the FCEC was an important step forward for both communities.

"It recognises the need for closer cooperation between institutions in the private sector if full use is to be made of the duty free entry provisions of the Lome Convention."

"With the ending of the Cold War, the global recession and cuts in public expenditure in Europe, European nations and the European Community are re-defining policy towards regions such as the Caribbean," he said.

He added: "It is already clear that in future it will be up to governments in the Caribbean region and their social partners in the regional private sector, the trade union movement and in non-government organisations to form new alliances to take advantage of the European Market and European aid funds."

He said the November 10th Europe/Caribbean Conference in the Dominican Republic will give the region the opportunity to hear the latest thinking of the European Commission, the European Parliament and the European member governments on the Caribbean.

It will also offer the opportunity for high-level dialogue on the needs of the region," he remarked.

The conference, organised by the Caribbean Council for Europe, will bring together leading private sector associations in the English, Spanish and French speaking Caribbean.

Caricom Members Object to Code on Nuclear Fuel Transport

FL0411175993 Bridgetown CANA in English 1545 GMT 4 Nov 93

[Text] Bridgetown, Barbados, 4 Nov, CANA-CERN—Despite opposition from environmentalists and Caricom nations, the Assembly of the International Maritime Organisation (IMO) Thursday agreed in London to enact a new code that will allow passenger ships and general cargo vessels to carry nuclear waste and plutonium.

The new code replaces the current use of specially-built vessels and other safety and security considerations. It will also allow most forms of spent nuclear fuel, plutonium, and high-level radioactive wastes to be carried in flasks on board ships.

The IMO decision drew swift criticism from the international environmental watchdog, Greenpeace, and the Caribbean Community. Greenpeace had urged five Caribbean member nations of the IMO to oppose the passage of the code.

Caricom leaders had declared the region a nuclear-free zone.

Shipments of spent nuclear fuel from Japan have been tracked by Greenpeace as they travelled through the Panama Canal and the Caribbean Sea, and on to Europe for reprocessing.

At the IMO Assembly's closing session Thursday, the Bahamas delegation read a statement on behalf of Caricom nations raising objections to the code and notifying IMO that the region had formally agreed to ban the transport of the nuclear materials covered in the code.

The statement also noted that the concerns of island and coastal states had not been reflected in the code.

"The IMO has failed to live up to its reponsibility to protect the maritime environment," said Damon Moglen of Greenpeace.

While passing the code, the assembly recognised its inadequacies by stating that a "high priority" would be to enlarge and improve it.

Moglen accused the IMO Assembly of caving in to pressure from nuclear nations and industry. "The needs of the nuclear industry have proven more important than those of safety and environmental protection."

A large number of IMO member countries criticised the code, and a new assembly resolution was prepared in an attempt to reach consensus.

The assembly resolution instructed IMO's Marine Environment Protection Committee and Maritime Safety Committee to consider "as a matter of high priority ... aspects of the transport of irradiated (spent) nuclear fuel and other nuclear materials which are complimentary to the code".

The resolution also cites the "need for further work to be carried out, with a view to augmenting or improving the (spent nuclear fuel) code," and requires the committees to report to the next IMO Assembly, in 1995.

Despite these concessions, a number of small island states, including Fiji and the Solomon Islands, registered objections to the adoption of the code. There were concerned about inadequate safety of the containers and

ships to be used, the lack of liability and salvage requirements, and that states would not be notified that ships carrying the nuclear materials were en route to their area.

"Despite the clear and considerable lack of consensus, the assembly chose to pass the code while accepting that it would need to be adapted," said Moglen.

The code's full title is: "Code for the safe carriage of irradiated nuclear fuel, plutonium and high-level radioactive wastes in flasks on board ships".

Greenpeace charged that under the code, nuclear cargoes containing as much as twice the radioactivity that was released during the Chernobyl disaster can now be carried on passenger ships and general cargo vessels.

On October 21, the environmental organisation said it had written to "ministers and ambassadors" of Antigua and Barbuda, Barbados, Dominica, Jamaica and Trinidad and Tobago alerting them of the draft code.

"The IMO code has been drafted by and for the nuclear industry," Moglen had said. "The nuclear industry wants to cut its costs by using general cargo vessels and passenger ships to carry the most dangerous radioactive and radiotoxic materials ever produced and they are hoping to fool the imo into authorizing these deadly transports."

IMO is a United Nations agency which regulates the safety of commerce and life at sea, and the impact of shipping on the marine environment.

Grenadines Prime Minister: EC Funds for Caribbean Increased

FL0411182093 Bridgetown CANA in English 1620 GMT 4 Nov 93

[Text] Kingstown, St. Vincent, 4 Nov, CANA—St. Vincent and the Grenadines Prime Minister James Mitchell says he has been assured that the European Community (EC) will increase funding to Caribbean projects under Lome IV, the trade and aid agreement between the EC and the African, Pacific and Caribbean (ACP) group of countries.

Mitchell told journalists here Wednesday that on his recent tour abroad, the Europeans had committed themselves to increasing contributions under Lome IV.

He criticised Caribbean governments for not taking further advantage of the regional programme, currently worth more than 90 million ECUs (European Currency Units).

The message from the EC, he said, is: "Use it or lose it."

Mitchell said the Europeans did not give any definite figure of how much more they will contribute, adding that Caribbean governments needed to do more work before the funds could be released.

"The exact figure has not been concluded but I am confident that we have got a substantial increase of funds .... It would require some further work with the Europeans but I have got an undertaking of two things—that the monies will be dislodged and an increase would be granted," he told reporters.

Mitchell said he was surprised that since completion of the J.F. Mitchell Airport—a Lome project on the Grenadine island Bequia—regional governments had not secured any of the programme's funds.

"They have not been meeting a lot of the conditions precedent for disbursement; they have also been fighting among themselves with regard to the allocation, and there has been no proper contact with the European Commission on how things should be resolved," Mitchell complained.

He said the situation had also been complicated because Haiti and the Dominican Republic were now beneficiaries under the Lome programme.

Mitchell also pointed out that in the case of St. Vincent and the Grenadines some outstanding projects which were receiving funding from the EC needed to be addressed to pave the way for the release of funds.

Cuba

Castro Describes UN Vote of Support as 'Spectacular'

FL0411130993 Havana Radio Rebelde Network in Spanish 1000 GMT 4 Nov 93

[Text] Commander in Chief Fidel Castro described as spectacular the vote of support for a UN resolution condemning the U.S. blockade against Cuba. Castro added that this has been a great success for Cuba and stated that it is a valiant decision by the United Nations, which is becoming increasingly tired of taking orders from the United States.

Castro made these statements following the closing of the banner-awarding ceremony of the Cuban delegation to the Central American and Caribbean Games in Ponce, Puerto Rico. In his speech, Castro stressed that he is personally not interested in the number of medals as much as the medals of honor and patriotism. Visibly happy and in conversation with the athletes, Fidel described as very beautiful the history made in 1966 when Cuba upheld its right to travel to Puerto Rico and compete despite U.S. threats and pressures. He added: Cuba cannot be excluded anymore. They underestimated us that time and never imagined that we would arrive on the Cerro Pelado vessel, that we would arrive by boat, or swimming, or by whatever means.

Castro also asked about the athlete's training and urged them to compete with honor, sportsmanship, patriotism, and in a fraternal spirit.

[Caracas Venezolana de Television Network in Spanish at 1550 GMT on 4 November reports Castro said that this international backing means endorsement for the process of opening as initiated by his regime. Castro states: "We have to adapt ourselves to the realities of today's world. We have to have an opening, and we are having one as broad as possible."]

Alarcon Terms UN Vote 'Major Leap'

FL0411150993 Havana Radio Rebelde Network in Spanish 1240 GMT 4 Oct 93

[Telephone interview with Ricardo Alarcon de Quesada, president of the National Assembly of the People's Government, from his office in Havana by journalist Carlos Santana Ojeda during the "Doing Radio" program—live]

[Text] [Santana] President, we would like you briefly to give our listeners your comments on the significance of the UN General Assembly vote condemning, for the second consecutive year, the Yankee blockade against Cuba.

[Alarcon] I believe yesterday's vote has been very important. It has really been a major leap if we compare it to last year's vote, especially in terms of the vote outcome. This year 30 countries joined the group of countries that last year endorsed our resolution against the blockade. Nearly all of Latin America and the Caribbean and a larger number of countries of Western Europe voted in favor of our proposal this year. Last year only Spain and France voted in favor. In addition to these two, a large number of other EC member countries—which are U.S. allies—voted for the resolution this time.

Thus, the U.S. position is now even more isolated than last year. There is no doubt that not only the absolute majority of the UN General Assembly—at a rate of 22 to 1—but also the majority of UN member countries voted in favor of the resolution. I believe this vote clearly reflects the growing international rejection of the blockade policy. It also represents an outright, categorical rebuttal of those claims that Cuba is isolated or that Cuba lacks international support. On the contrary, not only are we enjoying widespread support around the world through understanding and respect for our fundamental positions, but this support is steadily growing, as shown by yesterday's vote.

[Santana] I also believe that we should note that the title of last year's resolution was maintained this year: that is, the need to put an end to the blockade. The use of the word blockade was already an achievement last year because the international community agreed that this is a blockade, not an embargo. This time, the word blockade has been used within the wording of the resolution itself. This is a rather strong word that caused some countries to waver, but ultimately they voted for the resolution.

[Alarcon] Besides, the resolution specifically mentions that new measures aimed at reinforcing and expanding the economic, trade, and financial blockade have been enforced since the approval of last year's resolution. Thus, not only in the title and content of the resolution is there a clear reference to the U.S. blockade against Cuba, but also reference is made to the fact that, far from the blockade's being lifted to conform to last year's resolution, it has been reinforced and expanded through actions taken against the will of the international community.

I believe there is absolutely no doubt that the resolution represents a clear condemnation of the U.S. policy and a direct criticism of the current U.S. Administration, which will now be held accountable for its refusal to follow an obvious course of action, one that it must take in the future.

As is known, the U.S. representatives attempted to take the only move that could have spared them from sustaining this new vote at the Assembly—that is, to prevent the Assembly from taking a vote. Up to the last minute they tried to put into motion a procedural maneuver by proposing a no-action motion on the resolution, but ultimately they decided not to make this move because it would have meant a double defeat. In light of such an overwhelming vote in favor of the

resolution, they would have never been able to obtain a majority to pass a no-action motion yesterday.

I believe yesterday's vote has conveyed a very clear message to the Clinton administration. By this time next year, the United States will be held clearly accountable and the growing pressure it will be facing will cause it to be in a very uncomfortable position.

[Santana] Thank you, president. I believe that in addition to the UN vote, we should keep in mind the condemnation of the blockade by the parliaments of our continent and of course by the European Parliament, which has already once condemned the U.S. blockade against our country.

[Alarcon] Besides, we must take into account the position of millions of people around the world, namely union leaders, students, housewives, and ordinary people, who not only have condemned this policy but have conveyed their material, political, and moral support to our people. In Uruguay, Argentina, in Latin America at large, there is a growing, deepening movement in what we should keep at the top on our list of priorities at this time: the support of peoples for our country. Now, the fact that most governments have adopted positions such as this—which represents a clear, total rejection of the U.S. policy—must serve as encouragement and motivation for those peoples who, I am sure, will continue to increase their solidarity with our Revolution. What we have thus far witnessed in terms of a growing solidarity drive around the world will bear no comparison with what we will see in the next few months.

[Santana] Thank you again.

Robaina: World Rejects 'Cruel' U.S. Policy

PA0511034593 Mexico City NOTIMEX in Spanish 0250 GMT 5 Nov 93

[Report by Joaquin Castro Mendoza]

[Text] Mexico City, 4 Nov (NOTIMEX)—The UN General Assembly vote against the U.S. blockade of Cuba demonstrates that the international community rejects that "cruel and anachronistic" policy, Cuban Foreign Minister Roberto Robaina said here today.

"It is a clear desire of the countries to break the embargo imposed by the United States more than 30 years ago," the diplomat expressed in a lecture delivered at the offices of the Mexican Foreign Relations Secretariat in Tlatelolco. The vote against the blockade is a "call of attention for the United States to reflect on the brutal embargo against the island," Robaina added during his conference, in which he said that Cuba's foreign policy is aimed at improving ties with Latin America.

Robaina stated that despite the fact the United States exerts pressure to isolate Cuba from the continent, Cuba has made a turn to improve its economic ties with "friendly countries" and asked for understanding of the problems his country is suffering, isolated by an aggressive policy. "Cuba is ready to make the necessary transformations, but it will make them within its social model of development and will not renounce the accomplishments made after the revolution," the diplomat, who is on an official tour of Mexico, explained.

The 37-year-old Cuban diplomat admitted that following the collapse of the Soviet Union, Cuba had to implement economic changes to make its participation into the new world situation possible. "Cuba is the last geopolitical problem that has survived the end of the Cold War, so a publicity campaign has been mounted to discredit its government and the Cuban people," he asserted.

Robaina considered that the "alleged new world order" has been unable to resolve the problems of poverty, and it has been unable to resolve that "new qualifying adjective of extreme poverty," because seven countries hold 50 percent of the world's wealth, while 180 nations hold the rest.

In addition, the Cuban foreign minister said he favors that the United Nations adopt a new strategy in which all countries, "rich and poor alike, outline solutions to the problems of peace and development." He also criticized the UN Security Council for becoming "a world policeman" that tries to establish the type of democracy that large powers state is appropriate. He proposed that poor countries have greater representation in the UN Security Council.

During his conference, Robaina praised Mexican foreign policy, which "has always been a supportive country and has supported Cuba in international forums when the sovereignty of the island has been attacked." "Mexico holds a special place in the relations that Cuba maintains with the international community, because it has always maintained a position of respect and support," added the Cuban official, who will end his visit to this country on Saturday.

PRC Rejects Blockade

FL0411125793 Havana Radio Progreso Network in Spanish 1200 GMT 4 Nov 93

[Text] The PRC expressed today its rejection of the U.S. blockade against Cuba and praised the approval of a Cuban resolution at the United Nations calling for the end of the 30-year-old economic blockade. A Chinese Foreign Ministry spokesman stressed that the step taken at the United Nations reveals the international community's hope that every country be treated as an equal and for mutual respect to be the rule. The Chinese spokesman also pointed out that conflicts between states should be resolved through dialogue, on the basis of the UN system of laws and other international rules. He also stressed that the inconvenience of the practice of solving conflicts through pressures such as economic blockades or sanctions is more evident each day.

U.S. Urged To Heed Message

FL0411204093 Havana Radio Rebelde Network in Spanish 1800 GMT 4 Nov 93

[Commentary by Luis Sexto]

[Text] Popular wisdom teaches that one may fool some of the world part of the time, but one cannot fool all of the world all of the time. This was confirmed yesterday at the United Nations when the 48th UN General Assembly condemned the economic blockade imposed on Cuba. The United States was perhaps able to fool or to pressure part of the world for part of the time. It has not been able, however, to fool and to pressure all of the world all of the time.

Naive or malicious interpretations aside, a fact stands out beyond this play on words: Some progress has been made in bringing the truth out into the open. Cuba is right: This is a blockade. A blockade is a genocidal act of belligerence that seeks to obtain political benefits by inflicting economic losses on a small, poor country, on a people whose only fault stems from their decision to defend their independence.

In the wake of Resolution 4816, it will no longer be possible to view the blockade as some type of illusion fabricated by an anti- U.S. campaign; the blockade can no longer be viewed as a pretext by the Cubans to justify their deficiencies. By an 88-4 vote, the world community has just acknowledged for the second consecutive year that the blockade is a destructive strategy which, for more than three decades, has sought to politically destabilize Cuba.

The United States has attempted to deprive Cuba of access to the world's economic resources by preventing it from securing markets and credits through laws, threats, and the blackmail of third countries. It is true that for many years the Soviet Union had mitigated the effects of the blockade. Today, now that the USSR and the socialist bloc no longer exist, the blockade has reached full strength in erecting hurdles, in jeopardizing, and in undermining Cuban efforts to rebuild its economy.

It is true that even without the blockade, Cuban problems will not be solved overnight. It is also true, however, that without the blockade, solutions would be achieved more rapidly, more expeditiously, because there would no longer be a powerful country using its strength to deter trade with, investments in, and credits that are necessary for Cuba.

The world community has dotted the i: It is a blockade; it is not an embargo. An embargo occurs in a relationship between two parties. In a blockade, one party seeks to force others to participate in its strategy. It appears that the world has decided to uphold international law and the sovereign rights of nations. By a majority vote at the United Nations, it has announced that it will no longer yield to further deception or pressure. This is the core of the message conveyed by Resolution 4816. It is now incumbent upon the United States to heed the message.

Sanchez-Parodi on Regional, European Support in UN Vote

FL0411135993 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 4 Nov 93

[Text] Today, the 48th Session of the UN General Assembly condemned the economic, financial, and trade blockade imposed on Cuba by the United States. Acting Foreign Minister Ramon Sanchez-Parodi made the announcement in a news conference in Havana. According to Sanchez-Parodi, this victory demonstrates a growing rejection at the international level of the application of hostile measures against another country. He added that, beyond a triumph for Cuba, it is a recognition of the justice, equality, and respect for sovereignty that should exist in international relations. Sanchez-Parodi went on to say that it is also a recognition of Cuba's position in international public opinion. As far as what this condemnation, for two consecutive years, represents, Sanchez-Parodi commented:

[Begin recording] Once again, the United States has failed in trying to impose its will on the international community. Above all, we are pleased that in our region, Latin America and the Caribbean, there is solid and strong support for the position that Cuba has maintained at the United Nations on the issue of the blockade, and that within the Western European countries and EEC, support for the Cuban position has increased. [end recording]

Sanchez-Parodi added that now it is up to those who apply this type of hostile measures, referring to the United States, to continue ignoring international public opinion. [sentence as heard]

Havana Fair Briefing Stresses Joint Capital Ventures

FL0411151693 Havana Radio Progreso Network in Spanish 1200 GMT 4 Nov 93

[Text] Approximately 100 economic associations with foreign capital will be instituted this year. Of this, approximately 80 are in the industrial and economic sectors. This information regarding foreign capital investments in Cuba was provided to businessmen and reporters as part of the activities of the 11th Havana International Fair in Expocuba. The briefing was conducted by Octavio Castilla, vice president of the State Committee for Economic Cooperation, and Manuel Estefania, vice foreign trade minister. Regarding the process of creating joint enterprises, associations, and risk contracts, Octavio Castilla explained that in this way Cuba is seeking to obtain capital that would promote access to credit. Other Cuban goals regarding foreign associations are to attain advanced technological levels and to find markets for Cuban products.

The process of creating joint economic entities with foreign capital developed in the following manner: Three were created in 1990; 19 in 1991; and in 1992 the number climbed to 26. As of September this year, the number of joint enterprises was 29. According to Castilla, the sector of the national economy with the highest number of associations with foreign capital is basic industry with 29. Other sectors benefiting from these associations are the light industry and the food industry.

The information provided to businessmen attending the Havana fair reveals that Spain is the country that has developed the highest number of enterprises and associations with Cuban partners—a total of 20. Mexico is the leading nation in Latin America in terms of associations with Cuba—a total of five entities. Foreign investments in Cuba were legalized in 1982 when the government promulgated laws to regulate this activity. Efforts to promote foreign investments took off in 1989 when it became evident that the loss of the traditional partners of the Cuba economy made it necessary to seek foreign capital, specifically from countries with capitalistic economies.

Havana Reports on China's Move Toward Market Economy

FL0411170893 Havana Radio Reloj Network in Spanish 1506 GMT 4 Nov 93

[Text] The third plenum of the Communist Party of China [CPC] will seek to further the country's national economic reform by combining state-owned property with the market economy.

The plenum, which has been slated for the first half of this month, will make decisions on topics such as assistance to both small and medium-sized state enterprises with a view to changing their operational procedures to create a system of modern organizations.

RENMIN RIBAO, the main Chinese newspaper, this week carried an editorial stating that the fundamental requirement for the country to move ahead rests with intensifying the reform and with expediting the establishment of what they have called a socialist market economy.

Other media have noted that the CPC plenum will study ways of leading state companies toward diversification and the hiring of private management teams to improve competitiveness.

Castro Says Economic Opening 'Irreversible'

PA0411222993 Madrid EFE in Spanish 2041 GMT 4 Nov 93

[Text] Havana, 4 Nov (EFE)—President Fidel Castro said his country "should adjust to the reality of today's world," and affirmed the recently begun process of economic aperture "is irreversible." In remarks made to the news media today shortly before meeting with Rosa Diez, the Basque Government adviser on commerce, Castro said "we are making an opening, and we are making it as broad as possible."

The Cuban leader, however, warned "we must change" some concepts, ideas, and criteria, "but always within our socialist view, our socialist objectives, and within the principle of social justice." According to Fidel Castro, Cuba has been pushed to introduce economic reforms owing to the "extraordinarily unfavorable" consequences the disappearance of European socialist camp and, in particular, the USSR had on the island.

"That disappeared," Castro indicated, "and the embargo was tightened. The U.S. Government was then heartened believing we could not hold out, we could not resist." For Castro, however, this change also had a "favorable aspect" because the international community "is becoming more aware of the situation, it is tired of orders and hegemonies, and is beginning to express its resistance and protests."

A clear example of this reaction is, in the opinion of the Cuban president, the success Cuba attained on Wednesday, 3 November, at the UN General Assembly, which for the second consecutive year condemned the U.S. embargo on the island. "It has been a very big success if one considers the enormous pressure and power the United States exerts," Fidel Castro noted, pointing out that 88 nations voted in favor of the Cuban resolution and "only four" supported the U.S. stance.

"It only had four votes, after exerting great pressure, sending messages to all the governments, and practically stated that to vote in favor of the Cuban resolution would be regarded as a hostile action toward the United States," he insisted. "In today's world," Castro noted, "it takes a lot of courage to defy that influence and power." The Cuban leader asked what arguments will the United States use to ignore the UN resolution. "They intervene in Iraq and Somalia and blockade Haiti in the name of the United Nations, but when it comes to Cuba their behavior is blatantly cynical," he indicated. UNCLAS 6A

Commentary Assesses Lage's Remarks on Economic Changes

PA0511123393 Havana Radio Havana Cuba in Spanish 0000 GMT 2 Nov 93

[Roberto Morejon commentary from the "Evening Information Review" newscast]

[Text] The seriousness of the Cuban economic crisis, the measures adopted and under review to alleviate them, and the situation of a unipolar world that wants to allow no room for homegrown projects that differ from neoliberalism are prompting an increasing number of opinions on the present and future of this country. Carlos Lage, secretary of the Executive Committee of the Council of

Ministers of Cuba, [words indistinct] and weighty views in responding to an interview by the official newspaper GRANMA.

With the ease and objectivity that marks his executive work at the helm of the national economy, Lage [words indistinct] and affirmed the country will not renounce that system. Lage's stance comes at an opportune time as even people guided by good faith, both within and outside of Cuba, voice some confusion after analyzing the changes adopted in Cuba over the past few months and after having learned the gist of others to come.

Lage's comments to GRANMA fall conveniently within the framework of the Cuban aperture [words indistinct] for his broader position on different offers by entities and businessmen. Cuba certainly does not want to renounce the possibilities offered to it to survive just because five years ago it would have been unthinkable to accept them. Nobody can forget that when the socialist camp existed, the impact of the U.S. blockade on our economy was easier to bear because we had close relations with Eastern Europe that took into consideration Cuba's status as an underdeveloped country.

Growing foreign investment, the sale of a part of some factories to foreign capital, other kinds of ventures, decriminalization of the ownership of foreign currency, self-employment, leasing of state lands to farming [word indistinct], and future additional measures cannot be regarded as shocking. These additional measures include the growing role of taxes and the adoption of agreements to lower the budget deficit, price policy, and other decisions that will lead to a strengthening of domestic finances. It is true that changes bring uncertainty, but Cubans should feel assured everything is being done to ease inequalities that crop up alongside the transformations [words indistinct] (?that may be necessary). The valuable explanation Lage gave GRANMA helps us understand that what is now taking place in Cuba does not represent a rejection of the past but, rather, a securing of the present to enable the social project to prevail in the future.

ANPP Energy Committee Checks Ciego de Avila Progress

FL0411171693 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 4 Nov 93

[Text] The National Assembly of the People's Government [ANPP] studied the development of national energy sources and preparations for the sugarcane harvest in Ciego de Avila Province.

The ANPP Temporary Energy Committee studied the progress of the national energy sources program. It was stressed that Ciego de Avila surpassed its oil extraction plan, now at 111 percent, and [there is] the possibility of meeting the annual plan of over 50,000 tons in the provincial oil fields this month. In light of the energy deficit Cuba is experiencing, plants such as 1 de Enero are turning on their turbogenerators during peak hours to provide energy to the national electric system—an effort praised by the visitors. The energy potential of bagasse, fuel emulsions, and increasing wind power use was also stressed. These alternatives, introduced in several areas, are yielding good results.

The visit by the energy committee coincided with an assessment of preparation for the sugarcane harvest in the province. Although there are delays in the arrival of certain resources, sugar industry workers affirmed that they will have the mills and machinery ready on the scheduled date.

[Begin unidentified speaker recording] We have to conduct a highly efficient harvest. The grinding rate must be high, very stable, and yield the highest industrial recovery rate in order to attain the yield. We have to make it an efficient, short, quick harvest in order to focus on the main struggle of these years: sugarcane recovery, the need for more cane. [end recording]

Robaina Announces Rapprochement With Exile Community

PA0511041593 Mexico City NOTIMEX in Spanish 0337 GMT 5 Nov 93

[Text] Mexico City, 4 Nov (NOTIMEX)—Cuban Foreign Minister Roberto Robaina said here today that the Cuban Government will work for a rapprochement with the Cuban community in exile but only with those groups that respect Havana's policies.

Robaina said in a news conference, without mentioning any groups, that the government of President Fidel Castro is preparing to meet Cuban exiles as a means of achieving a rapprochement with organizations willing to trade opinions. The foreign minister admitted that the Cuban Government recognizes the fact that within the process of political and economic opening there are various opinions that should be heard.

Robaina, who is conducting an official visit to Mexico, recognized that there are groups in exile that are guided by other interests to destroy the Cuban development process. "We will never work for a rapprochement with these organizations," Robaina said when referring to the Cuban community in Miami, which has adopted the most radical positions with regard to the Cuban Government.

Armed Forces Hold Military Exercise in Eastern Region

PA0411231493 Mexico City NOTIMEX in Spanish 2237 GMT 4 Nov 93

[Text] Havana, 4 Nov (NOTIMEX)—The Cuban Armed Forces today intensified their military exercises to test the efficiency of the defense system that would be used in case of an attack by the United States and an all-out military blockade.

Colonel William Masatrapa, chief of staff in the eastern part of the island, confirmed that the military exercises known as Moncada II-93-2 are being held successfully in that area. "The actions of all forces involved in the war games are rapid and efficient," the military officer stated.

The Revolutionary Armed Forces (FAR) said that the exercises test the efficiency of the defense system and serve to verify the number of guardsmen in command posts in applying warning signals for the mobilization. "They also test the readiness of the chiefs of staff and other structures to secure the way for the complete combat readiness of regular troops, territorial troop militias, and the production and defense brigades," Masatrapa noted.

The Eastern Army is responsible for defending the provinces near the coast of Haiti.

Counterfeiters Use Ministry Supplies To Print Dollars

FL051104009 3 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 5 Nov 93

[Text] The National Revolutionary Police [PNR] have arrested a group of people who were printing and selling counterfeit dollars in the city of Havana. The dollars were printed at a graphic arts unit of the Ministry of Culture that is located on the corner of Carlos Tercero and Oquendo Streets in Havana. (?Twelve) people, some of them employees of the printing house, are under arrest. They said they used weekends and nonworking afternoons [no-laborables] to print four editions of counterfeit U.S. $5, $10, and $20 bills. In its investigation, the police have been able to find only $190 of these bills, in $10's.

The arrested individuals sold the counterfeit dollars for Cuban currency. Everything seems to indicate that many people were fooled and bought the false U.S. dollars.

[Begin recording of First Lieutenant Luis Eceverria, police attorney, identified by caption] We received a denunciation from some rural folks who live in the town of La Salud, in Quivican [place as heard] to the effect that they had sold a pig for $190 to some citizens, and that the money was counterfeit. The citizens were later arrested.

After they were arrested, during the continuing investigation and the questioning, it was discovered that these dollars had been printed at a print shop. [end recording]

From this graphic arts unit came all the resources with which to print the counterfeit dollars. The center's production system was used. The people involved would enter through the main door using a key that one of the individuals involved in the incident was authorized to possess. Even so, they worked behind closed doors, in a working day that gave them sufficient time to lithograph and print the bills, which had characteristics similar to those of U.S. dollars.

[Begin recording of Rafael Alvarez, current administrator of the print shop, identified by caption] This happens because there is no program for organizing and monitoring that would break up things like this. The higher authorities had already detected these organizational problems, and the measure of appointing me the print shop's new administrator had been taken, so as to begin solving these organizational and technical problems and improve the shop's productivity. I must say that, at the moment I was introduced, there was resistance from certain individuals today implicated in these events.

We immediately set ourselves the task of organizing and cleaning up the print shop, when at that moment, the first signs of these events appeared—of the counterfeiting of foreign currency in our print shop. [end recording]

[Begin recording] [unidentified reporter] Did the lack of control also surprise the party cell?

[Jorge Sanchez, party cell secretary, identified by caption] What kind of lack of control do you mean?

[Reporter] The lack of control in allowing workers to work outside their normal hours; the lack of control regarding resources, the fact that resources could be lost.

[Sanchez] That was discussed. That was discussed internally, within the cell, and the information passed on to the person it should have been passed on to. The cell was not in favor of having people work outside working hours. [end recording]

Some people's greed and other people's failure to properly monitor things lead to such events. Up to now, the losers in the counterfeit-dollar swindle are the racketeers who allowed themselves to be deceived into buying them. Vigilance at government institutions has prevented the counterfeit bills from getting past the cashier registers of the banks and commercial centers. But the people who printed those dollars knew full well what kind of problems the counterfeiting of foreign currency could cause the nation.

Robaina Meets With Gortari, Solana, Other Figures

FL041151893 Havana Radio Progreso Network in Spanish 1200 GMT 4 Nov 93

[Text] On 3 November, Mexican President Carlos Salinas de Gortari met with Cuban Foreign Minister Roberto Robaina, to whom he stressed the ties of friendship with Cuba. In a meeting, which Robaina described as cordial, respectful, and marked by understanding, both officials highlighted the resolution approved on 3 November by the UN General Assembly condemning the U.S. blockade against Cuba.

It was also reported in Mexico City that Robaina met with his counterpart, Fernando Solana, and Colombian writer Gabriel Garcia Marquez on the first day of an official visit to Mexico. Robaina also met with Mario Vasquez Rana, president of the Mexican Olympic Committee.

In the meeting with Gortari, Robaina discussed international solidarity against the U.S. economic, trade, and financial blockade. Robaina's official trip to Mexico continues today.

Fidel Castro Meets With Visiting St. Martin Governor

FL0411191393 Havana Radio Rebelde Network in Spanish 1800 GMT 4 Nov 93

[Text] Commander in Chief Fidel Castro Ruz has met with Albert Fleming, governor of the island of St. Martin, who visited our country at the invitation of comrade Pedro Chavez, president of the Havana City Provincial Assembly of the People's Government.

The president of the Councils of State and Ministers and Governor Fleming held a pleasant meeting and exchanged views about prospects for economic cooperation in tourism and other economic areas.

During his stay in Cuba at the head of a large delegation of businessmen and participants at the 11th Havana International Fair, Martin visited places of social, historical, and economic interest.

Fleming ended his visit yesterday afternoon, when he departed for his country.

Rodriguez Meets With Thai Foreign Minister, Departs

FL0411171293 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 4 Nov 93

[Text] In Bangkok on 3 November, Thailand's Foreign Minister Prasong Sunrisi and Cuban Foreign Vice Minister Mario Rodriguez advocated strengthening bilateral ties. The Thai official affirmed that both nations will benefit by increasing trade and economic ties in general. Likewise, he expressed interest in disseminating in Thailand the experience of the Cuban sugar industry. The diplomat expressed his satisfaction with the possibility of establishing embassies in both nations.

On 4 November, Rodriguez departed Thailand, the last leg of his tour of Asia.

Robaina Meets With Cuban Residents in Mexico

FL0411152793 Havana Radio Rebelde Network in Spanish 1255 GMT 4 Oct 93

[Text] In a collective meeting held last night in Mexico City with Cuban residents in Mexico, Cuban Foreign Minister Roberto Robaina characterized as normal the links maintained by each state with its citizens residing abroad. He stated that many Cuban men and women around the world are willing to maintain ties with their fatherland.

The differences among the various Cuban communities abroad are attributable to those existing among their respective host countries. He emphasized that the guiding principle should be the development of mutual respect.

Garcia Meets With Zimbabwean ZANU-PF Politburo Member

FL0411135293 Havana Radio Rebelde Network in Spanish 1000 GMT 4 Nov 93

[Text] Politburo member Maria de los Angeles Garcia has meet with (Joseph A. Tumgamirai), a member of the Politburo of the Zimbabwe African National Union-Patriotic Front [ZANU-PF], who is visiting Cuba at the invitation of the Central Committee of the Communist Party of Cuba. Garcia explained efforts being conducted by the Cuban people in these particularly difficult times and reiterated that we are engaged in a constant struggle for survival without relinquishing plans for development. Likewise, she spoke about the main tasks of the Cuban Government to overcome the present situation, mentioning the creation of the Basic Cooperative Production Units and other recent measures.

Havana Reports on Reasons for Singer's Visa Denial

FL0511000993 Havana Radio Reloj Network in Spanish 2034 GMT 4 Nov 93

[Text] The U.S. Interests Section in our country refused to say why it refused Cuban folk singer (Merceditas Valdez) a visa to enter the United States. (Valdez) had performances scheduled at the (Aaron Davis Theater) in New York.

A news release issued by the U.S. Interests Section expresses the refusal to make any comment whatsoever on the reasons for denying the Cuban artist a visa. This contradicts what (Candida Solorio), head of the (Yoruba Andabo) group and manager of the (Egren) record company, was told by one of the persons in charge of the consular section. The man told (Solorio) that (Valdez) was being denied a visa to enter the United States because she might cause disturbances.

The famous folk singer told the paper GRANMA: I don't know what kind of disturbances a person who was only going there for a cultural performance could cause.

* Further Commentary on Catholic Bishops Statement

* Bishops' Poisonous Message

94CA0014A Havana GRANMA in Spanish 30 Sep 93 pp 4-5

[Commentary by Felix Pita Astudillo]

[Text] With proverbial serpentine loquaciousness, of annexionist alb and chasuble, 11 Catholic bishops of Cuba have presented us a long-winded document of 17 sheets, 83 paragraphs, and a title reminiscent of the saccharine ballads of the OTI [Ibero-American Television Organizaiton] contest.

"Love Hopes for All," which is the title of the proclamation, has nothing to do with the theological revelations with which God inspires his earthly vicars. Fortified behind clumsy prose, some quotations from the gospels and a structure that wavers between parable and hyperbole, the very illustrious 11 let their hair down in a counterrevolutionary political manifesto that urges moral disarmament, the demobilization of revolutionaries, and the creation of a world in the image and likeness of that meager episcopal gathering.

To confuse the minds of the healthy and hard-working flock that recognizes as its own, and participates in, the common revolutionary endeavor, the bishops select for their manifesto the Catholic feast day of the Virgin of Copper, sincerely venerated by Cuban believers in her apostolic version as well as in her syncretic identity. Therefore, their lordships send the proclamation to the flock in Miami, where the terrorist radio stations pick it up and broadcast it with delight.

However, I think that the loving camouflage of the document will not fool many people. It is not difficult to notice how much loving arsenic drips from the message of the very reverend 11. It is written in the light of the same candlesticks used by the integrable priests who took up arms against the Mambises; or the prelates who blessed Batista, his murderers, and the upper classes; or the invasion force's chaplains at the Bay of Pigs; or those who protected admitted terrorists in churches and convents.

The historically poor marksmanship of the Cuban Catholic hierarchy would provide material for a much greater inventory. Since the times of slavery, the colonial period and the neocolonial republic, they were on the side of the powers of the unjust and oppressor. Even after 1959, they felt themselves to be more the pastors of those who had abandoned the fatherland to take the side of the United States, than of those Cuban Catholics who remained on the island. In reality, this hierarchy never managed to identify itself with the revolution, and they have been more or less lying low, waiting for the revolution to have problems, so that they could act against it.

Has their moment arrived? Be that as it may, the message of the 11 bishops has sinister implications because they are producing and disseminating it in one of the most difficult periods in the history of the fatherland. It is an unfortunate situation—sharing the counterrevolutionary platform with the likes of Torricelli, Mas Canosa, et al—in order not to arrive too late and have to wait on line in Miami. This transubstantiation of the wolf into Saint Francis needs to be taken apart and studied, to eliminate doubts about the serpentine message, that asks nothing less than the restoration of the old colonial order.

Let us see:

As early as the message's second paragraph, the island's episcopology begins its mystification. They say: "...during almost four centuries, we Cubans have always stuck together, without distinction as to race, class, or opinions." You have simplified, monsignors! From the burning of Hatuey, passing through black slavery and to the now vanished clubs, parks, and beaches segregated by race and class, we Cubans have always been together like the hammer and the anvil—some giving, others taking. Your lordships are insulting the people's intelligence with such affirmations of beatific coexistence.

Further along, paragraphs three to 11, there is a long disquisition on the advantages of love. Everything is fine, until they tell us to love "the enemy, which is the most difficult love." Nothing less than love for Caiphas! (Caiphas, Jewish high priest who had Jesus Christ condemned, and then persecuted the apostles editor's footnote.) The illustrious ones assure us that it is not enough that (the revolution) gives everything to the poor or "distributes material goods equitably because, if we do not have love, it is no good to us." After this cryptic composition, the monsignors get to the point: "fraternity understood as applying only within a selected group" (is the majority of the people a "selected group?") "is the way to unite us more in order to better separate us." (Separate who from whom, illustrious ones?)

Therefore, conclude the bishops, "we cannot accept situations of animosity as definitive, because (...) they can evolve toward situations of friendship if we allow love to triumph." Although the past 34 years of the Cuban-U.S. dispute belie the episcopal presumption, none of us advocates eternal animosity. But what abstract "love" is this, when what is under way at the world level is the most brutal anti-Cuban campaign? A strange naivete that of the very reverends, who see with their own eyes how they are increasingly tightening the screws on the other side of the Bahamas channel. *Quo vadis*, monsignors?

From paragraphs 12 to 17, the proclamation places culprit and victim on the same level. Their lordships discourse upon justice, charity, and the love that conquers hatred. They assert that "if I share everything I have with the poor, but I have no love, I am only a hollow shell (...) justice is incomplete without love." And so that there is no doubt that they are talking about the island, they comment: "We would all wish that love prevailed in Cuba among her children (...) that heals so many wounds caused by hatred (...) that causes the hour of forgiveness, amnesty, and mercy to reach everyone...." What are the illustrious 11 saying and not saying? About the revolutionary program that shared the loaves and the fishes according to the gospel? Cuba is a

great example, perhaps unequalled, of "love with justice." Not only that which it carries out within its own borders, but also the loving and splendid contributions to other peoples (thousands of foreign scholarship students in Cuba, doctors, teachers and other professionals in the Third World, children from Chernobyl, etc.). As for hatred, who originated it? Who nourishes it? Who carries it to sick irrationality by wanting to kill a people by means of a blockade? You know, excellencies. But you prefer not to say it.

Beginning with paragraph 18, the jurisdiction of God and that of Caesar become completely confused. A real gibberish that tries to explain the incursion into worldly themes: "We are not politicians (...) and that limits us, but it also gives us the possibility to speak (...) the church cannot have a political program (...) but it can and must give its views (...)." And so on. "That is the detail!" the deceased Mario Moreno [Mexican comic actor Cantinflas] would have said, had he read the proclamation.

And they go on: "We are neither technicians nor specialists. Neither (...) are we judges or prosecutors." And while "we have no right to judge persons," because "it is repugnant to the gospel," it turns out that the "mitered ones"...judge left and right. Well, actually, they judge...on the left. On the right, they bless by omission and leave it untouched.

Paragraph 21: The illustrious 11 rend their robes and garments. Since "we Cubans must all resolve Cuba's difficulties together," the bishops present their addressees: the revolutionary government ("in the difficult service of authority") and those who are not in the difficult service, but aspire to be..."inside or outside the country." Let us end it! The consideration for those who aspire "inside the country" (see the miserable abstentionist results of the elections of 24 February 1993) is perhaps explained by group solidarity: in quantitative terms, those who aspire "inside" are about as numerous as the members of the Creole curia. Those who aspire from "outside"—Mascanosas, Montanares and other self-postulants—influence and even direct the Floridian flock, something not to be sneered at. Although they mean nothing to the people of the resisting island, the very reverend 11 legitimize their credentials.

The winds of post-modernity and the-end-of-history are blowing. The episcopal team dedicates paragraphs 22 to 27 to a historical appraisal, only to do so with incredible superficiality. They say:

"Faced with certain negative situations bequeathed to us by previous governments, we sought the solution to these problems where they had not originated and with those who were not familiar with our situation because they were distant from our geographic area and alien to our cultural traditions."

Have you deciphered the puzzle? Easy! The yankee neocolonial little republic bequeathed us "certain negative situations" (go on, man, they were not that bad!), and then the "obstinate, willful, and irresponsible" bearded ones from the Sierra (Slavs in their hearts and souls) went "to seek the solution" in the distant USSR and its Socialist camp, who "were not familiar with our situation" and were "alien to our cultural traditions."

As simple as that: little history capsules for the backward. For the very reverends, there never existed a policy of economic aggression by the United States, begun with the Eisenhower administration and never interrupted. Nobody took away our sugar quota, nobody refused to supply us with petroleum, nobody trained bands of torturers and murderers. Therefore, the Cuban revolutionaries, in unprecedented doctrinal madness, decided to go of our own will to the other end of the world. Without justification: from which emerged "political and military alliances" (...) changes of commercial partners, etc.

Short memories, those of the older bishops, resentful memories, those of the younger ones. That was the time when missals and bombs were kept in the sacristies or other parts of the temples. They do not remember that either? A daily tablet of PPG [Ateromixol or cholesterol-reducing medication] would not be a bad idea....

Their lordships owe the Cuban people more sincerity. And they also owe them a full-scale historical self-criticism. That interpretative truculence cannot have led them to say that pathological Sovietophilia brought us into that orbit, to a "close dependency, to copy structures and models" and, as a result, to suffer the collapse of the Socialist world. According to these imaginative monsignors, we Cubans were "trapped in the midst of the system of blocs that prevailed in past decades."

The Cuban hierarchy—one of the most dependent of the western Catholic churches—prefers to say that, rather than to recognize that the Cuban revolution treasured its independent position at every moment, even during the glorious and sad days of October 1962, when a mortal threat hung over the island. (I do not recall, certainly, any pronouncement by the Creole episcopacy in those dramatic circumstances.)

As there is no longer a Socialist camp, the 11 bishops seek another *leit-motiv* against the revolution. The one chosen is a grotesque caricature of the road Cuba has taken to deal with the special period. The 11 say that, before, we suffered the interferences of certain foreigners, and that now, we are suffering from the help of others: foreign solidarity, foreign investments, foreign tourism, money from those who live abroad, etc. A cheap simplification, whose ultimate objective is to find political and economic space for the flock in Miami.

They say that "today it is admitted that those Cubans who can help economically are (...) those we made foreigners of." Who made foreigners of them, illustrious ones? No, bishops, you cannot lie that way. If they emigrated, it was because they wanted to and because the United States at that time opened its doors wide, encouraging them and offering facilities that citizens of no other country in the world have received, for the sole purpose

of furthering their aggressive campaigns and plans against Cuba. Thousands of children were even moved to the United States by the monstrous and terrifying calumny that a revolutionary decree was going to abolish parental authority.

And they go on to propose: "Would it not be better to recognize that they, too, have a legitimate right and duty to contribute solutions, because they are Cubans?" Cuba, distinguished hierarchs, has been talking for some time with politicians, businessmen, and ordinary citizens of that community. The only conditions for an understanding are respect for revolutionary accomplishments and civic decency. But, does it not seem to you a joke in bad taste to propose the insertion of terrorists, lobbyists, cheap politicians, and sworn enemies of the Cuban revolution to take part in an unnatural salad beneath the trumpets of an abstract love and an impossible reconciliation?

You insist that "everything can be resolved between Cubans." You cite, in a similar context, economic emigrants, deserters, and citizens who benefit by temporary exit permits. You omit the great majority, which does not leave, which remains firmly planted in the country. Problems exist, and you are not unaware of them: you know the rigors of the special period as you know the determination of a people not to give up its conquests—unique in the hemisphere—at any price. And you know the migratory flow from the Third World to the First, where that of the Cubans is the minority, even in Florida (Mexicans 30 percent, Haitians 21 percent, Cubans 6 percent, Jamaicans 4 percent, etc.). But it is more useful to the illustrious 11 to magnify the reality.

We arrive at paragraph 29. The admirable poet Candy Vitier is right when he counsels moderation in the language of polemics. But there are paragraphs, like this one, that provoke the most justified outrage of everyone who reads it, for the disrespect it contains for the chief of the Cuban revolution. And I am sorry that in an instance like this there can be no friendly words. With what right, illustrious sirs, do you ask for solutions, "without anyone trying to raise himself up as the sole defender of our interests or as the arbiter of our problems, with solutions in which it sometimes seems that the only ones who lose are the Cubans." Who else could the bishops be referring to when they speak of that "sole defender, that arbiter" who contributes prejudicial solutions to the Cubans? Why that entanglement of elliptical language?

That man, gentlemen of the proclamation, is the one we elected by an overwhelming majority, who led us to victory, who proclaimed before anyone else the strategic unity of Christians and Marxists, who with delicate sensitivity accompanied other men of faith in recent fasting and observance. It is that man whom you ignore with shameful silence. It is enough that you drop a counterrevolutionary anchor and come to rest in a bay without prospects. But, please, do not again choose the path of confrontation, do not repeat the error of the 1960's, do not morally liquidate yourselves as an institution. This is a revolutionary and Fidelist people!

From paragraphs 37 to 40, the very reverend 11 lose control. They review the increase in crime, antisocial conduct, and vandalism, and they attribute it to "a climate of tension and repressed aggression" due to our material want. The highly developed consumer societies are the best argument against the bishops: there, without material want of that kind, criminal conduct is skyrocketing. But that is not the worst part of the proclamation. The worst is that the bishops allow themselves the luxury of calling on the population and the police not to put a stop to vandalism and crime. "With more punitive measures," they say, "nothing will be accomplished but to increase the number of transgressors."

The logic of episcopal love asks that we give vandals and criminals a free hand, that they murder 17-year-olds and throw them from bus windows. What are you proposing, bishops? That between the counterrevolution, the lumpen proletariat, and your ecclesiastical advice, the ungovernability of the country be assured?

Paragraphs 45-52 are the bishops' political platform that they have already begun to promote from the pulpits—theory and action. The 11 propose "eradicating certain irritating policies," such as "the exclusive and omnipresent nature of the official ideology and the limitations imposed on the exercise of certain liberties and on liberty itself...." (What are we talking about, monsignors, of the multiparty system, of the republic of puppets, generals and doctors, of the very rich and the disinherited? The people of Cuba have already managed to leave that dunghill behind and no psalmody, and no warbling by seductive nightingales, will be able to confuse them.) They also ask for the eradication of the "excessive control by the state security organs," to which they attribute Orwellian methods of surveillance "over the strictly private lives" of persons, and of "fear of an undefined something." (Those organs, your lordships, have been, are, and will continue to be, the protective shield of this people, that has paralyzed hundreds of times the criminal and subversive actions of the enemy services that—strangely enough—in the eyes of the bishops, seem not to be operating inside Cuba. This people, far from feeling fear, recognizes them as their sure safeguard. They did so, many years ago, when they took the murderer Betancourt out of the convent where he was being sheltered by the priests Ajuria and Loredo. Just to cite one example.)

They also demand action on the "number of prisoners" whose cases could be "decriminalized" or "reviewed." (A great number have been decriminalized, but it is worth remembering that this decision is the sovereign and irrenounceable prerogative of a state that must defend itself....) Finally, they ask for the elimination of "discrimination on the basis of philosophical or political ideas, or religious creed." (It is a while since philosophical or confessional ideas have been the subject of attention by the revolutionary state. As for "political

ideas," illustrious sirs, to whom are you referring: to the FNCA [Cuban-American National Foundation], Alfa-66, Democratic Platform, those who blew up the Air Cubana flight in Barbados, or to the little groups that the SINA [U.S. Interests Section] moves about at will?)

From paragraphs 54 to 69, the authors return to the refrain of the "dialogue" with those entities under the control of the U.S. Government. Without making it explicit, the Catholic hierarchy reserves itself a seat at that hypothetical table and hopes for success, because "we are all Cubans who understand one another when we speak." It has the sonorousness of the toad; it evokes the politicized slogan of "Cubanness is love." The only explanation for such a simplistic argument is applying the initial logic, which claimed that we had been together for almost four centuries without distinctions of class or race. Otherwise, it would be impossible to conciliate those of us who defend the revolutionary enterprise with those who have tried—and are trying—to crush it over the past 30 years.

In the final analysis, which is not less important for being final, the dispute in question is between Cuba and the United States. All the rest is cosmetics and cheap tricks.

The message of the illustrious 11 aligns its authors. It aligns them and it alienates them, because they will not even manage to divide believers from nonbelievers.

We Cubans are more independent than ever. The idea of a colonial restoration, like the one proposed by the 11 Catholic bishops of Cuba, is not a call for Havana.

If anything, it is a message to Miami, with a copy to Washington.

There is no room for it here. It is neither convincing nor helpful.

It does not matter how much delicate lace is used to disguise the arsenic-drenched love.

* Reasons for Not Publishing

94CA0014B Havana JUVENTUD REBELDE in Spanish 3 Oct 93 p 7

[Article by JUVENTUD REBELDE director: "Why Don't We Publish the Pastoral?"]

[Text] The debate reaches its maximum pressure in the street. Heated discussions are taking place everywhere these days about the polemic between our press and the Catholic church hierarchy, after the 11 bishops concentrated in a pastoral letter—very verbose and boring in its 17-page version—a misshapen and opportunistic version of a reality that has always been quite foreign to them.

After reading it with the patience that the profession requires of me and the indignation that my patriotic instinct causes, I am one of those who believe that it is indispensable to explain why our media have criticized the document of the bishops more or less intensely, but essentially agreeing on basic issues, without first publishing it.

I believe it indispensable because, as many have commented to me during this battle, to reach an objective judgment, people have to know first what the criticized document said.

I can answer for JUVENTUD REBELDE. I would have nothing against its publication in these pages if the reasons against it were not so powerful.

The first is as objective as the basic economy. The supplies of paper today assure the appearance of our weekly with its poor 12 pages only until June 1994, a date on which, if we have not obtained financing in "hard" currency, the organ of Cuban youth runs the risk of disappearing as a newspaper. And a ton of paper—of which we need at least 500 each year—costs about $1,000.00. Do these calculations without forgetting that they are only among one of thousands of items that a newspaper needs to publish.

To publish the oversized pastoral would mean to fill up (with tight composition) at least three complete sheets of our weekly. If we take into account that such a diatribe against the revolution, if it were published integrally, would deserve a reply of at least equal length, we are talking about half of our tabloid, which would therefore increase the number of pages and consequently jeopardize another possible day on the country's newsstands

All that in addition to other reasons that are not less weighty. Using paper that the bishops do seem to have in abundance, the pastoral has been profusely distributed in all the churches at a modest price and broadcast to the point of exhaustion by the 30-odd radio stations directed against Cuba, principally from the United States.

Nor does JUVENTUD REBELDE grant the Catholic hierarchy the belligerent role that its bishops try to claim for it in the context of Cuban society, and it is not disposed to place itself at the service of such antipatriotic ideas. This newspaper was born and exists to give space to those who see the fatherland as an altar, not to those who want to use it as a pedestal.

Bahamas

Consul Urges More Aggressive Caricom Role on Haiti

FL0411181993 Bridgetown CANA in English 1528 GMT 4 Nov 93

[Text] Nassau, Bahamas, 4 Nov, CANA—Haiti's consul to the Bahamas, Joseph Etienne, has urged Caribbean countries to play "a more aggressive role" in nurturing democracy in the French-speaking country.

Etienne, however, praised the Bahamas and other regional states for strongly supporting the fight to restore democracy in his politically-troubled homeland.

"I believe that Caricom (the Caribbean Community) must play a more aggressive role in helping Haiti. They must nurture democracy because they are the ones who have more to suffer," he said.

"I have no doubt that (ousted) President (Jean-Bertrand) Aristide will return. There is no doubt because we have reached the point of no return and he will return.

"The only question is the problem of days or weeks, at the moment."

Aristide, ousted by the Army two years ago, cancelled plans to return to Haiti last month amidst political turmoil.

Etienne said that the United Nations, the Organization of American States and even Caricom had put everything at stake by strongly supporting the fight to restore democracy in Haiti and, therefore, there was "no going back".

He also felt that lt General Cedras, head of the military, would have to resign if a total embargo was placed against Haiti.

Aristide has called for a blockade of all air and sea trade to force out the country's military leaders.

He said he would not return until Cedras steps down.

Etienne said a return to democratic government in Haiti would help the Bahamas, because Haitian refugees would stop coming here.

Those who live here, but do not have jobs would also probably return home, he speculated.

He said significantly fewer Haitians came to the Bahamas during President Aristide's seven months in power.

Etienne admitted there was no overnight solution to Haiti's economic problems, but he said the oppression - not poverty - was the main force driving people away.

"We have to modernise the Army and also create a police force to protect the people, not oppress them," he said.

The Bahamas has an illegal Haitian population of between 30,000 and 40,000.

Dominican Republic

* ONAPRES Reports on August Revenues, Expenditures

94CA0022A Santo Domingo EL CARIBE in Spanish 22 Sep 93 pp 1, 4

[Text] The central Government collected revenues of 1.5842 billion pesos this August, the National Budget Office (ONAPRES) reported.

In a note offering details of the allocation of the funds collected in August, ONAPRES says that 963.5 million pesos were allocated for investment.

August collections were some 200 million pesos higher than the 1,378,9972,541 pesos collected during July of this year.

Following we reproduce the complete text of the note in which ONAPRES offers details of the allocations of the funds collected in August:

"In the interest of keeping the public informed of the State's Revenues and Expenditures for the month of August 1993, the National Budget Office hereby provides details for this period of the current fiscal year.

"The strategy of the current government, presided over by his Most Excellent President of the Republic Dr. Joaquin Balaguer, in the distribution of public funds, provides for essential priorities to be targeted in the agricultural and livestock, irrigation, potable water, energy, health, and education sectors, without neglecting other basic sectors contributing to harmonious progress and national economic development.

"The nation's revenues for the indicated period totalled 1,584,294,688.00 pesos, of which 963,530,239.36 pesos were allocated for investment.

"The agricultural and livestock, irrigation and energy sectors were granted a total of 130,221,940.14 pesos. Specifically, the National Institute of Water Resources (INDRHI) received a total of 43,654,484.56 pesos for the construction and supervision of the Jiguey-Aguacate dams and the Sabaneta dam project, as well as for the construction and repair of canals and the maintenance of other dams.

"The Dominican Electricity Corporation received 39,878,886.73 pesos to cover commitments by that institution and to contribute to improving our country's energy system.

"The Dominican Agrarian Institute (IAD) received 17,814,522.99 pesos to implement specific projects and to finance various agricultural programs. The Agricultural Bank received 5,000,000.00 pesos to support the Small Farmers of Azua and implement the Small Farmers of the Southwest Project. The Special Fund for Agricultural-Livestock Development (FEDA) received 1,440,1990.25 pesos to intensify the support programs

for agricultural production and other targeted purposes; the La Cruz de Manzanillo project received 2,178,188.00 pesos to plant various agricultural crops; the Agriculture Ministry received 18,000,000.00 pesos for various Agricultural programs and projects. The State Sugar Council received 30,000,000.00 pesos for payment to sharecroppers and for other commitments.

"The National Drinking Water and Drainage Institute received a total of 61,167,473.05 pesos for construction of the aqueducts at Puerto Plata, San Pedro de Macoris, and other areas around the country.

"The Central Bank of the Republic received 130,000,000.00 pesos for payment of the public debt and for strengthening our currency, and the President of the Republic allocated a total of 20,000,000.00 pesos for demonetarization. The Santo Domingo Aqueduct and Drainage Corporation was granted 98,936,443.33 pesos to construct the Valdesia-Santo Domingo aqueduct, the Cibao Central aqueduct, and other works.

"Finally, the Ministry of Public Works and Communications was allocated a total of 374,042,135.91 pesos, the Office of Supervising Engineers for State Works received 80,000,000.00 pesos, and the State Works Coordinating and Monitoring Office received 40,000,000.00 pesos to implement works and programs of social and economic interest throughout the entire Republic, such as housing projects, airports, ports, duty-free zones, aqueducts, sanitation systems, highways, local roads, street maintenance, and historic monuments."

* August Inflation Rate Hits Lowest Level

94CA0022C Santo Domingo EL SIGLO in Spanish 24 Sep 93 p 1-D

[Article by Victor Manuel Tejada]

[Text] Inflation fell slightly last August, according to figures from the Central Bank's National Accounts Department.

That month inflation was negative 0.22 percent, making cumulative inflation for the entire year negative as well, by 0.06 percent. More directly, prices in general have not increased even slightly over the entire year.

The prices are combined with a substantial decline in exports, very small growth in Gross Domestic Product (GDP), and an apparent decline in consumption.

That is in addition to the large quantity of money, more than 1.8 billion pesos, that remain idle in the Central Bank, which in fact tends to dampen economic activity. Although some officials may deny it, the overall framework paints a picture of a recessionary process affecting the very roots of the Dominican economy.

* Environmental Agency Shuts Down Industries

* Food Products Plants

94CA0023A Santo Domingo LISTIN DIARIO in Spanish 28 Sep 93 p 11

[Article by Geraldino Gonzalez]

[Text] The National Environmental Health Commission and the Forestry Directorate yesterday disputed the closure of a Stefanutti cannery in Haina and a Mora Company chicken processing plant located on km 10.5 of the Duarte highway in the National District.

Engineer Robias Rosario, director of the Health Commission, reported that both companies were closed due to pollution produced both in the watershed and in the atmosphere.

The official said that Embutidos [Cannery] Stefanutti, located on the eastern side of Haina, dumps waste water into the river because the boiler, which is not equipped with the necessary filters, produces pollution.

He explained that this violates Dominican pollution control standards.

He also said that the Mora Company's slaughterhouse on the Duarte highway dumps waste through the Manzano ravine into the Isabela river.

Rosario said that their existing boiler emits untreated particles, and that a treatment plant needs to be built.

The Environmental Health Commission director also reported that he had given Barcelo and Company a deadline of 45 days from today to complete the treatment plant they are building.

* Distillery Closed

94CA0023B Santo Domingo EL NACIONAL in Spanish 21 Sep 93 p 7

[Text] The Brugal distillery in Puerto Plata was closed at the orders of the General Forestry Directorate and the National Environmental Health Commission, "because waste from the aforementioned company is polluting the San Marcos river."

Forestry Directorate Press Officer Mr. Manuel M. Escano said that both organizations concluded that the Brugal distillery was dumping waste into the river, producing "anaerobic digestion in violation of the limits permitted by the Nordom 436 Law."

Escano said that the National Environmental Health Commission had warned the aforementioned company about the ecological damages produced by that firm's dumping of industrial waste into the San Marcos river during the low water season.

He explained that the company's owners did not heed the several warnings to correct the problem.

The State agencies involved in the case said that as soon as the firm complies with the recommendations issued by the Ecological Commission, it may reopen, but it must carry out the works that were ordered and put a waste treatment plant into operation.

The Brugal Distillery was closed on the grounds of article 2 of Decree 226-90, which states that polluting firms must be closed temporarily until the violating firms' pollution has been corrected.

* Debate on Economic Issues Continues

94CA0022B Santo Domingo EL SIGLO in Spanish 28 Sep 93 p 1-D

[Article by Mozart De Lancer]

[Text] In the views of economists Felix Calvo, Pavel Isa Contreras, and Milovan Perez Prats, there is not the slightest doubt that the Dominican economy is experiencing a recessionary period, accompanied by a great deal of uncertainty in various economic sectors in the country.

They are also convinced that the country must apply short-, medium-, and long-term policies aimed at reactivating economic activity and ensuring sustained economic growth.

The economists' responses to this situation coincide in various respects, although they continue to focus, offer different focusses on causes and solutions. And that was what they expounded during their appearance on the television program BUENAS NOCHES [Good Evening] last Friday.

Calvo believes that the International Monetary Fund accords have diminished the possibility of the State being the axis for reactivating sustained investment and growth.

He claims that the economic decline this year compared to 1992 is the business sector's response to specific uncertainties in economic activities.

He argues that only in that way can the decline in gross domestic product be understood, in the midst of a significant increase in credit to the productive sectors, much greater than that directed toward commerce.

Milovan Perez Prats says that the road to recovery and sustained growth will be based on encouraging exports, reducing interest rates, seeking out long-term capital, and formulating and applying political reform.

He said that exports must be encouraged, through a policy of tax abatements. He thinks that in order to attract long-term capital it will be necessary to rely on appropriate legislation for foreign investment.

He says that each of these measures, comprising an integrated package, along with the necessary completion of the still inconclusive reforms to be put into operation, will demand political reforms to support them over time.

Pavel Isa sets the problem and its solutions in the short and medium terms. He says that in the short term recovery will depend upon wage increases.

He then denied that the wage increase would cause inflation, as some business leaders in the country have contended. To back up his position he showed an historical display, with figures, of price behavior based on the wage increases during 1979-81.

According to the data the economist presented, price movements that were examined one month before and five months after the increases showed no significant price increases.

And he says that the most exceptional case was in March 1991, when nominal wages rose by 30 percent; that is, the minimum wage rose from 1,120.0 pesos to 1,456.0 pesos per month. During that time inflation was zero percent.

He says that a wage increase, although representing a cost increase, also represents a significant increase in business sales.

With regard to exports, Isa Contreras believes that tax rebates should be the road to follow. He recalled that Dominican manufacturers pay an average of 23 percent of import value in tariffs, even though the companies in question may be exporters.

In that economist's view, the Dominican Republic cannot continue to export taxes and must take measures to compete in foreign markets.

* President Balaguer Denounces Governmental Corruption

94CA0022D Santo Domingo PRENSA LIBRE in Spanish 4 Oct 93 p 41

[Article by Santiago Estrella Veloz]

[Text] Accusations of corruption are shaking the dissident leadership in the official Social Christian Reform Party led by Dominican President Joaquin Balaguer.

The president's order to hold hearings in all State dependencies and disclose the results is an effort to detect the fraud or irregularities by which many officials have enriched themselves. The press says that for that reason "there is panic" in some State dependencies.

Balaguer was peremptory in saying that those responsible for corruption will be taken to court "without second thoughts."

But until now no official named as being "corrupt" by public opinion has been taken to court.

In this Caribbean nation the courts themselves are under public scrutiny for accusations of "selling sentences" to favor drug smugglers and criminals.

Balaguer's legal counsellor Pedro Romero Confesor, like Attorney General Efrain Reyes Duluc, claims he has not acted in corruption cases because the controller of the Republic has not sent him any of the many cases that have been heard.

The controller is Hector Perez Reyes, a lawyer who was consul in New York and who in the past had to defend himself from precisely the same serious accusations of irregular use of funds, while he was the Government's national lottery administrator.

But now the investigations are pointing at some of Balaguer's challengers, such as official party Deputy Ramon Perez Martinez, who aspires to a presidential candidacy for the Christian Social Reform Party (PRSC).

Perez Martinez, 46, is an engineer who builds urban developments, and a former consultant to the Agency for International Development (AID), the World Bank, and the Interamerican Development Bank (IDB).

He is known for his aggressive rhetoric in defending what he calls his right to disagree with Balaguer in many of his executive actions.

With respect to the 31-year dictatorial government of Rafael Leonidas Trujillo, the politician said that for the younger generations, "it is frustrating that they have combined their memories of Trujillism with today's methods of seeking blame."

Haiti

CONACOM Rejects Implementation of Constitution Article 149

FL0411164593 Port-au-Prince Radio Metropole in French 1045 GMT 4 Nov 93

[Text] CONACOM [National Congress of Democratic Movements], a party close to and working with the current power, considers the Governors Island agreement the only realistic political plan. In a press release dated 2 November, CONACOM expresses alarm about the degradation of the political atmosphere since 11 October. This deterioration reached its height with night gunfire on 30 October, terrorizing the population in violation of one of the fundamental human rights, citizens' sleep.

CONACOM warns the populace against all thoughtless political action leading to the application of Article 149 of the Constitution or to the installation of a new, de facto prime minister in violation of the Haitian Constitution.

Deputy President Rejects Clean Sweep, Article 149

FL0411224093 Port-au-Prince Radio Metropole in French 1045 GMT 4 Nov 93

[Passage within italics in Creole]

[Text] The president of the Chamber of Deputies stands against the clean-sweep solution. MIDH [Movement for the Establishment of Democracy in Haiti] Deputy Antoine Joseph, who has already denounced the maneuvers of political groups trying to implement Article 149 of the Constitution, has just rejected a proposal for a solution to the crisis that a neighbor country reportedly presented to the Haitian Army. Furthermore, the president of the Chamber of Deputies has expressed support for international mediator Dante Caputo's initiative to implement the Governors Island accord. Edner Jean filed a report:

[Begin recording] [Jean] Optimistic, Antoine Joseph is no longer he who has always been hopeful for a favorable solution to the crisis. I am rather skeptical, he told us. The president of the Chamber deplores the fact that the parties in conflict have still not figured out how to seize opportunities for solving their differences. Regarding the Governors Island accord, he believes it is not too late for those who signed the document to stop playing cat and mouse, because the country is about to expire. As a matter of fact, Antoine Joseph, vice president of the National Assembly, approved the latest initiative of mediator Dante Caputo, aimed at moving the negotiations forward, following the freezing of the Governors Island accord on 30 October. He is waiting only for the Army's and the government's answers. In order to push them toward the negotiation table, the president of the Chamber of Deputies makes a point of reminding the president and the general of certain truths:

[Joseph] *If the Governors Island Accord fails, General Cedras and Aristide must understand that the country does not belong to them alone. I too have inherited from the work done in order to leave us this land. They should be able to sit down among Haitians to release the country from its current crisis*

[Jean] Antoine Joseph does not, however, agree with the proposal to make a clean sweep: the resignation of President Aristide; the resignation of General Cedras; dissolution of parliament; formation of a collegiate government; or holding new elections. Such a solution was reportedly formulated by a neighbor country during a meeting with the Army General Staff at the beginning of this week, information that remains to be confirmed. As for the implementation of Article 149 of the Constitution, let us not mention it. Antoine Joseph is clear: It is out of question to involve parliament in a new political adventure.

[Joseph] *The political groups requesting Article 149 are mistaken or do not understand one thing: The parliament*

issued a decree last June reinstating Jean-Bertrand Aristide to his functions as president. Some people contested this, saying it was a joke. As far as I am concerned, it was not a joke. As I speak to you, the president of the Republic is Jean-Bertrand Aristide. In order to make a clean sweep, President Aristide and the legislators would have to agree to resign.

General Cedras would also have to resign. I do not think it is an easy solution that the legislators will support. Therefore, even if the Army favors it, I do not think it is the right solution.

[Jean] However, will the solution come this week? Meanwhile, the Governors Island accord is falling into a state of deep lethargy. [end recording]

Army Accepts UN Proposed Meeting, Sets Conditions

FL0411191093 Port-au-Prince Signal FM Radio in French 1130 GMT 4 Nov 93

[Text] The Haitian Army has said yes—but while laying down conditions—to the UN proposal for 5 and 6 November discussions on the Haitian crisis, whereas the other invited protagonists have accepted without prerequisites, the UN spokesman in Haiti [Eric Falt] announced in Port-au-Prince on 3 November. The answer of the Haitian Armed Forces contained in a letter received the morning [of 3 November] by UN mediator in Haiti Dante Caputo gave rise to requests for explanations that need to be given. So, Caputo sent a letter, in turn, to General Raoul Cedras, commander in chief of the Armed Forces, to specify that the discussions should turn on the strict implementation of the Governors Island agreement. This agreement should have peaked on 30 October with the return from exile of President Jean-Bertrand Aristide, who was overthrown by the Army on 30 September 1991.

We are looking for a final response, added Mr. Falt, who refused to say what the attitude of the United Nations would be if the Army maintained its stand and if the discussions would, nevertheless, take place with the participation of the military. [sentence as heard] As for the other parties, including President Aristide, Prime Minister Robert Malval, and Senate President Firmin Jean-Louis, the United Nations received their official and uncondiional acceptance on 3 November, Mr. Falt said. The consent of Dr. Antoine Joseph, president of the Chamber of Deputies, has not yet been officially transmitted but will be positive, according to Mr. Falt. He refused to explain exactly what the Army wanted. But sources close to the negotiations have pointed out that the military in fact asked for a revision of the Governors Island agreement. This source, who wishes to remain anonymous, was not able to explain the extent of the revision.

All pressures are being put on the Army, added the source. It is the military who are manifestly responsible for balking, if they do not come. The [UN] Security Council will lose patience if nothing is done, the source further said. In fact, the maneuvering space of the United Nations has been reduced; a reinforcement of the sanctions is far from being unanimously supported within the Council whereas the total embargo demanded by Aristide does not have a chance of approval, according to diplomatic circles. Asked about this point, the source close to the negotiations assured that there were new factors, indicating, without providing details, that there is more to it than sanctions.

The same source explained that Lawrence Pezzullo, special representative of the U.S. Administration for Haiti, arrived in Port-au-Prince on 3 November with two other State Department employees and the person in charge of following the Haitian issue at the United Nations. Additional UN employees are expected [to arrive] on 5 November. Aristide's answer was transmitted to Caputo by one of his U.S. advisers, Michael Barnes, former Democratic member of the House of Representatives for Maryland. A correction: The two [UN] employees are expected [to arrive] today [4 November].

Captuo Announces Army, Government, UN Meeting for 5 Nov

FL0411164393 Port-au-Prince Signal FM Radio in French 1130 GMT 4 Nov 93

[Text] There was an informal meeting on 3 November at the initiative of international mediator Dante Caputo in order to prepare an agenda for the inter-Haitian meeting proposed by the United Nations. This meeting will be held on 5 November, announced Caputo, who also said that he was waiting for the Army's answer. He made this statement to Radio Metropole after an informal working session with the prime minister, Senate President Firmin Jean-Louis, the counselors of President Aristide, and the United States diplomat in Haiti, William Swing.

[Begin Caputo recording] We had a meeting with the president of the Senate, with the prime minister and the members of his cabinet, and Mr. Barnes, who came to (?represent) President Aristide and to bring the president's answer. [There are] two very concrete comments: We have received the agreement, the positive answer not only from the secretary general but also from President Aristide, from the government, and from the Senate. I received this morning a letter from the Haitian Armed Forces commander in chief, whose answer is not quite clear. So I sent him a letter this afternoon, giving him some information while asking him—if possible—for explanations. I hope to have his answer as soon as possible. We intend to begin the meeting on the morning of 5 November. [end recording]

This was international mediator Dante Caputo after an informal meeting on 3 November at the residence of Prime Minister Robert Malval.

Second General Labor Strike Suspends Public Services

PA0411151493 Mexico City NOTIMEX in Spanish 1346 GMT 4 Nov 93

[Text] Port-au-Prince, 4 Nov (NOTIMEX)—For the second time in a week all of the public services were suspended today in Haiti due to a general labor strike called for by a movement of military sympathizers to protest the international embargo imposed against the nation.

The strike was called for to reject the suffering exerted on the Haitian people by the international embargo and to "demonstrate to Prime Minister Malval that the country should not be paying for political problems," Emmanuel Constans, secretary general of the Front for Haiti's Advance and Progress [Frente para el Avance y Progreeso de Haiti—FRAPH), said.

FRAPH reiterated its demand for the resignation of Malval, of exiled President Jean-Bertrand Aristide, and of UN and OAS mediator Dante Caputto, as well as for organization of a provisional government.

On 29 October FRAPH called for a general strike which completely halted all work in this capital. Armed civilians forced merchants and drivers of public transportation to go home.

Given the climate of violence that prevails in this capital, it is expected that today and tomorrow's strike will have the same results.

The work stoppage could coincide with the dialogue requested by the United Nations for 5 November in an attempt to unblock the Governors Island agreement, which provides for President Aristide's return to his country.

Paralyzes Downtown Area

FL0411213393 Port-au-Prince Radio Metropole in French 1600 GMT 4 Nov 93

[Excerpts] Activities are paralyzed in Port-au-Prince on the first day of a 48-hour general strike launched by the Revolutionary Front for Haitian Advancement and Progress [FRAPH], which requests from the Malval government normal distribution of the stock of oil products that companies working in Haiti refuse to sell due to the international embargo against Haiti. Traffic is very light in the downtown streets, public transport almost nonexistent. The stores remain closed. Edner Jean has details:

[Begin Jean Recording] As an initial assessment, it should be said that the strike has not been observed in the slum neighborhoods. The residents of Cite Soleil, Bel-Air, Carrefour, and Carrefour-Feuille continued this morning to freely carry out their activities. The public markets, the shops in these areas, ran normally.

There were many pedestrians walking today in the streets in Port- au-Prince. Public transport was very scarce; only a few public cars were noticed in Delmas. However, contrary to the prior strike days launched by FRAPH, there were many more private cars in the streets of Port-au-Prince. [passage omitted]

Public administration, banks, and everything else was closed in the downtown area. A good soccer game was also noticed on Grand-Rue.

FRAPH Cancels 5 Nov General Strike

FL0411232093 Port-au-Prince Radio Metropole in French 1900 GMT 4 Nov 93

[Text] The Revolutionary Front for Haitian Advancement and Progress [FRAPH] has cancelled the second day of the strike it had called to protest the effects of the embargo on Haiti. The announcement was made this afternoon by one of the leaders of this neo-Duvalierist movement, Jodel Chambelain. He specified the reasons for this decision in a statement this afternoon to Radio Metropole.

[Begin recording] ...to a precision quickly given regarding the forthcoming payment of state employees, which was one of the demands that motivated this call for a strike. Answering pleas from family fathers and mothers, FRAPH has decided to temporarily lift the call for a strike on 5 November. [end recording]

Serra Puche on Consultations To Eliminate Customs Tariffs

PA0411041793 Mexico City XEQ Canal 9 Television Network in Spanish 0200 GMT 4 Nov 93

[Text] Commerce Secretary Jaime Serra Puche has reported that, as contemplated by the North American Free Trade Agreement [NAFTA], several Mexican and U.S. industries have begun consultations to accelerate the elimination of customs tariffs anticipated in their tariff elimination lists. He explained that items such as glass, wine, refrigerators, and stoves are included in the discussions.

In a telephone conversation with U.S. Trade Representative Mickey Kantor, Secretary Serra Puche reported that three important agreements were reached: 1. The acceleration of tariff elimination in industrial sectors that agree to do so. 2. An agreement between sugar industrialists to increase the Mexican export quota from 150,000 to 250,000 tons beginning in the seventh year of the treaty. 3. There will be no price markup protection [salvaguarda de sobreprecio] on the Mexican orange juice export quota of 40 million gallons, and a protection scheme [esquema de salvaguarda] will be agreed upon for any such exports that surpass that quota to prevent unfair competition in the market.

He explained that these agreements will go into effect as soon as NAFTA becomes operational. Secretary Serra Puche pointed out that the agreements do not constitute a renegotiation of the treaty but are a complement to its original text.

Serra Puche on NAFTA, G-3 Trade Agreement

PA0511033493 Mexico City XEQ Canal 9 Television Network in Spanish 0200 GMT 5 Nov 93

[From the "Plenty of News" newscast; live relay by Mexico City XHTV Television Network]

[Text] Commerce Secretary Jaime Serra Puche has announced that the G-3 [Group of Three] trade agreement will go into effect during the first few days of 1994, between Mexico, Colombia, and Venezuela. Jaime Serra also said that the new agreement regarding sugar and citrus fruits did not come from external pressure. He reaffirmed that NAFTA has not been reopened nor will it be.

[Begin Serra recording] I was clear in explaining that Mexican and U.S. citrus industries presented suggestions to the Mexican and U.S. Governments to try and resolve certain things that were pending and that they believed should be defined to prevent misinterpretations. We decided to include the recommendations made by the Mexican and U.S. sugar industries—the Mexicans made suggestions to the Mexican Government and the U.S. industry made suggestions to the U.S. Government. [end recording]

Secretary Serra was interviewed after opening the technological transfer unit at the National Association of the Processing Industry. He said that nine of the 14 topics under discussion at the G-3 negotiations, between Mexico, Colombia, and Venezuela, have been completed. He announced that the treaty will go into effect during the first few days of 1994. He pointed out that the negotiation process has made good progress and that there are only a few general issues pending, which will be discussed on Friday, 12 November, during a meeting between the ministers in Mexico City.

[Begin Serra recording] We can say we are literally days away from ending the G-3 trade agreement negotiations with Colombia and Venezuela. I would like to add something quite significant. As a result of the meetings we held in Trinidad-Tobago and Santiago, Chile, with other countries, the ministers of Mexico, Colombia, and Venezuela decided to include an access clause. This will allow other countries to join the agreement, specifically Bolivia and Ecuador. [end recording]

Exporters Deny Concessions Made for NAFTA Votes in Congress

PA0511030593 Mexico City NOTIMEX in Spanish 0346 GMT 4 Nov 93

[Text] Washington, 3 Nov (NOTIMEX)—Mexico did not make concessions to the United States to gain votes in Congress in favor of NAFTA, Juan Gallardo Thurlow, leader of Mexican exporting companies, has said.

Gallardo Thurlow, president of the Mexican Foreign Trade Business Organizations [Organismos Empresariales de Comercio Exterior de Mexico], replied with a brief "no" when reporters questioned him if Mexico had made concessions on agriculture matters in exchange for votes in the House of Representatives.

He indicated that the announcement made this Wednesday by the White House on the negotiation of new terms in the treaty on agricultural matters as of 1 January 1994 is a point that was clearly provided for in the original text. The same goes for the total revision of its effects every six months. Gallardo Thurlow added that the changes accepted by the Mexican sugar industrialists and the citrus fruit producers were negotiated with their U.S. counterparts and subsequently were presented to their corresponding governments.

The Clinton administration reported this Wednesday that Mexican sugar producers could not export their surpluses if these are the result of a substitution in the manufacturing of other products such as the bottling industry. The trilateral trade treaty provides for Mexico to export sugar to this country once it meets its internal needs. U.S. producers fear that once the industry substitutes sugar with some products such as the fructose, Mexico would flood the U.S. market with sugar.

The Mexican sugar industrialists agreed to refrain from exporting when there is a surplus of the product as a

result of this type of substitution. In exchange, Gallardo noted, Mexican producers would obtain a larger export quota when this condition is met.

Another point announced by the Clinton administration indicates that as of 1 January an effort will be made to accelerate the reduction of tariffs on electronic products, wines, liquors, and glass. Gallardo said that a special safeguard mechanism should be established with regard to citrus fruits.

Mickey Kantor, U.S. trade representative, reported that in 1997, three years after the implementation of the trade agreement, its effects would be assessed.

Gallardo indicated that the trilateral treaty provides for each country to have the right to revise it, and in case it decides to withdraw from the treaty, it can do so with six months' notice.

Foreign Relations Under Secretary on Plans If NAFTA Fails

PA0411153693 Madrid EFE in Spanish 1121 GMT 4 Nov 93

[Text] Paris, 4 Nov (EFE)—A failure of the North American Free Trade Agreement [NAFTA] would not mean "the end of the world" for Mexico, but it would represent a failure of Washington's foreign policy, Andres Rozental, Mexican foreign relations under secretary, has said in Paris.

"If the United States is incapable of reaching a free trade agreement with its neighbors, Mexico and Canada, it will be even more difficult to do so with the long list of countries involved in the GATT (General Agreement on Tariffs and Trade), Rozental added.

NAFTA's ratification by the United States depends on how the U.S. Congress votes. Voting is scheduled for 17 November.

Following the Labor Party's victory in Canada, the new Ottawa administration has also shown some hesitancy regarding the treaty.

"There are difficulties, but I just came from Washington and I believe that the obstacle at the U.S. Congress will be overcome. They need 20 more votes to ratify the treaty, and I believe that in the next two weeks it will be overcome," Rozental added.

"In Washington they are understanding more and more that NAFTA is not only a matter of free trade, but rather a formidable foreign policy instrument. The failure of this plan would not be looked upon favorably by Latin America and other areas of the world, such as Europe and the Pacific countries," the under secretary added.

Rozental insisted that NAFTA is one more instrument in Mexican President Carlos Salinas de Gortari's government policy to put Mexico in a better position to compete at the international level and is not the end in itself.

"If the initiative fails it will not be the end of the world for us. We have lived for many years without NAFTA, and we can continue to do so for a few more years," Rozental said.

Rozental explained that Mexico's access to the U.S. market is an accomplished fact and that the free trade agreement will just add guarantees and clarity to these relations. He said: "Reportedly, Chile will soon join it. New Zealand has requested its incorporation, and Japan has shown interest in joining also."

He said: "We already have plans in case the treaty is not ratified. Those plans are centered essentially on strengthening the two other vectors of our foreign policy: Europe and the Pacific."

He recalled that Mexico and Chile have signed a free trade agreement and that Mexico is working on similar tools with Colombia and Venezuela (Mexico's Group of Three partners) and with Costa Rica and Nicaragua.

Rozental said: "Latin America is also one of our priorities. We form part of the Group of Three, the Rio Group, and the Iberian-American Conference and for this reason we are an important pivot in inter-American relations."

He added: "We are working on a new agreement with the European Community, and within a few weeks, possibly, we will be joining the Economic Conference for Cooperation in the Pacific and the OECD; for this reason we will be in a position to serve as a link between the two regions."

Rozental stated this during a working breakfast meeting with ambassadors accredited in Paris and French businessmen headed by Francois Perigot, president of the National Council of the French Association of Businessmen [Consejo Nacional del Patronato Frances—CNPF].

The Mexican official said that his country's policies will not have to change their essential guidelines following next year's presidential changeover.

He said: "Salinas de Gortari's work has been based on the foundations placed by his predecessor, former President de la Madrid, and of the seven presidential precandidates; at least six have an economic and social ideology that assures continuity."

*** PAN's Political Approach Defended by Leader**

94CA0012A Mexico City PROCESO in Spanish No. 881, 20 Sep 93 pp 6-9

[Article by Gerardo Galarza]

[Text] Diego Fernandez de Cevallos, the main implementer of the National Action Party's (PAN) policy of dialogue and consensus-building with the government, with PRI [Institutional Revolutionary Party], "and with the other political forces," says:

"The most convenient path for PAN would doubtless have been to remain the votive candle that shone light on the great values of the spirit and the fundamental principles of democracy. But as an authentic political party, it was also born to seek power. We have achieved this in part and we are going for more."

Accused of being pro-Salinas ("Let them prove it"), the coordinator of the PAN congressional bloc says that an "honest, objective" assessment of the current six-year term is both positive and negative.

There have been political and economic gains, and they have been and ought to be acknowledged. He cautions, however, that unless economic measures are taken in the short term to attack the poverty in which "millions and millions of Mexicans" are living, "the results could be disastrous." Politically, he asserts, "the current system has nothing left."

Controversial even because of his full-face beard; proud to the point of arrogance; forceful to the point of virulence; a spirited participant even in the sharpest, nastiest debates ("If they are looking for trouble, they had better watch out because I am not a coward"); a practicing Catholic and proud of it; a federal deputy for the first time even though he has belonged to PAN "since I was born and bred"; accused of being an "appeaser, a pragmatist, a sell-out, pro-government, and unscrupulous," and recognized as an effective negotiator, Fernandez de Cevallos dominates forums and holds the spotlight as one of the major political figures of this six-year term, so much so that he is a frequent target of political caricature in the newspapers, second only to Fidel Velazquez "because he is 100 years older than I am."

This week Diego Fernandez de Cevallos will register officially as a candidate for the presidential nomination of PAN.

In an interview with this weekly Fernandez de Cevallos analyzes Carlos Salinas de Gortari's six-year term and the Mexican political system; talks about his party, rejecting the idea that its philosophy has undergone any weakening whatsoever, about its internal rifts, about the so-called neo-PAN; denies that there is an "unholy alliance" between PRI and PAN; discusses his excellent relations with public officials and "other political forces"; refers to a two-party system and the PRD [Party of the Democratic Revolution]; declines to judge his possible rivals, and refuses to accept that he is a powerful, influential politician, "Diego the boss," as columnists describe him.

The talk takes place in his private office in Lomas de Chapultepec. Prominently displayed there are a small statue of the Virgin of Guadalupe; photographs of his father, wife, and children; and photographs of the founders of PAN, Manuel Gomez Morin, with whom he worked for 10 years, and Efrain Gonzalez Luna, his tutor as a child and young man.

There is also a photograph of Fernando Gutierrez Barrios, with the following dedication from the former interior secretary: "To Mr. Diego Fernandez de Cevallos, an exemplary man and an extraordinary friend." Beside it, also in a frame, is a photocopy of the official registration granted by the Interior Secretariat, 001, to the "Roman, Apostolic, Catholic Church in Mexico; it too bears a dedication: "To Diego Fernandez de Cevallos, with gratitude and affection. G. Prigione."

There is also a collection of newspaper caricatures of him, some of them clipped by his children or framed, like the one by Helio Flores that shows him as Juan Diego wearing a cape with fingers upraised.

He says that instead of bothering him, they amuse him greatly, "prompting my first laughs of the day." He solemnly contends that he would rather "appear in political cartoons than be a cartoon-like politician."

Yet he does not find the criticisms by feature writers and columnists equally funny, not even the ones that portray him as an influential, powerful politician.

"For a long time my detractors have called me an appeaser, a pragmatist, unscrupulous, pro-government, pro-Salinas, a wheeler-dealer, and a thousand other nice things. In the final accounting, and in spite of my limitations, my political work is acknowledged as serious and effective. So now they keep the insults in their files and portray me as a sinister politician who attacks everyone and gets what he wants at whatever cost. Nothing could be more untrue. This is just a new way of attacking my efforts. Since accusing me of a thousand and one misdeeds did not work, the strategy now is to put me down. This is a real old trick, and we should not fall into the trap.

"I am neither influential nor powerful. I simply think of myself as one of the politicians who are self-respecting and deserve respect."

He quotes Don Quijote: "The wounds received on the battlefield bestow honor rather than detract from it."

He admits to being proud, "not in the sense of man's rebellion against his Creator, but rather as the sort of pride that I feed every day, which has helped me to face challenges in my personal and political life. Humility is not a virtue of mine."

Fifty-two years of age, a resident of the capital, originally from the State of Queretaro, and the son of Jose Fernandez de Cevallos, one of the founders of PAN, he was enrolled from the end of primary school to preparatory school in Jesuit institutions in Guadalajara, where his tutors were Efrain Gonzalez Luna and his wife. He began studying law at Iberoamericana University and finished at UNAM [National Autonomous University of Mexico]. He is a successful lawyer who worked for 10 years in the offices of Manuel Gomez Morin, for 10 more in a partnership with Hiram Escudero, another PAN member, and for another 10 by himself with a select clientele.

From childhood he accompanied his father in his political activities and attended his first rally at age 11 in San Juan del Rio, Queretaro, during Gonzalez Luna's presidential campaign. He was PAN's national youth secretary in the 1960's. He was a spirited candidate for federal deputy and a regular visitor to the gallery in the Chamber of Deputies, on Donceles, where he would inveigh against the members of PRI. He was so famous that when the Agrarian Reform Law was being debated during Luis Echeverria's term ("And that day I had not shouted at all"), sugar union leader Jose Maria Martinez threatened him with a .45 in the midst of the session, which prompted me "to insult him to his face and with a chair in hand to defend myself."

His behavior caused him problems in PAN: "My far from civilized conduct, which was outrageous in the extreme, also annoyed the leaders of my party, ever since the days of Manuel Gonzalez Hinojosa, which completely prevented me from holding executive posts or becoming a candidate, much less serving as a deputy. I am not complaining. The presidents of PAN had good reason to protect the party from an anarchist. I found those disgraceful governments and the irresolute attitude I saw in my party intolerable."

He went back to supervisory posts until 1987, when he received an invitation from Luis H. Alvarez, by this time the party's national leader, "the ascetic who has fought with great honor and valor and who has risked his life for his ideals. So when he called on me, I could not refuse, and thus began the new stage of my political career."

He was first appointed PAN representative to the Federal Electoral Commission at the suggestion of Jose Gonzalez Torres, who held the post before him. Gonzalez Torres no longer belongs to PAN ("A painful loss because Jose is a man of great stature, a Christian through and through, and an exemplary citizen"), along with a group of former leaders who criticized Alvarez's policies, including dialogue and consensus-building with the government, which they saw as an abandonment of principles. Fernandez de Cevallos was a leading player in this policy.

He says that paradoxically, at the last meeting of the National Council that Gonzalez Torres attended before resigning, the latter asked him for permission to nominate him as a candidate for PAN president. "I thank him for that because it means that despite everything he still regarded me as an upstanding man, and I continue to have a very close, very honest relationship with him." This is not the case with most of the people who broke off from PAN.

There was also talk of the neo-PAN faction while Alvarez was leader. Fernandez de Cevallos cuts the question short: "This nonsense is a Machiavellian attempt to divide PAN between the dogmatists and the neo-PAN members. For example, I think that it is crazy to identify me as a neo-Panista when I was born and bred during the days that the party was formed, since which time I have been active in it in one way or another, especially when some of these dogmatists, who recently split off, are now PRD candidates, following the orders of their current president, who oddly enough used to belong to PRI."

"So, does the neo-PAN exist, or is it just a new way of practicing politics in your party?"

"In every country around the world labels are flippantly attached to people who think differently and for purposes of asserting themselves. That is all."

He categorically denies that PAN has changed: "It is the same party as always, but amid the objective conditions of a different Mexico. Its principles have not changed; its philosophy has not weakened; its intentions have not become corrupted. But it has, of course, gone from being an opposition party concerned with educating people to being an opposition party concerned with educating people, achieving power, and running the government. The most convenient path for PAN would doubtless have been to remain the votive candle that shone light on the great values of the spirit and the fundamental principles of democracy. But as an authentic political party, it was also born to seek power. We have achieved this in part and we are going for more."

Many of PAN's legislative and political successes can be attributed to its policy of dialogue and negotiation. He acknowledges as much: "It is true, because this is a normal, valid activity for any civilized political party anywhere in the world. PAN gets much of what it wants from the government, from the other political groups, and from society because it has shown itself to be an institution of free men and women whose commitment, ideal, and platform is democracy, who have respect for their own word and sense of honor. Everyone knows that we talk straight and in earnest. We are known as a group of Mexicans who want institutions to succeed, not fail."

"Wanting institutions to succeed is seen by many as a way of helping the government and PRI...."

"I do not think that anyone can seriously assert or deny categorically that this helps PRI. In any event, it is a secondary issue. The important thing to us is democracy,

respect for pluralism, and not crushing dissenters. The important thing in politics is joining together and building."

"In Mexico, political negotiation has always been regarded as scheming. Is there scheming in PAN's negotiations?"

"No. In Mexico's political subculture, with its black-and-white history in which a band of archangels always defeats the demons, any consensus between opponents or any accord between rivals is obviously going to be called selling out and a trap. Unless we put this truly primitive attitude behind us, we will never be able to achieve democracy."

"PAN has obviously scored some political successes with its policy of negotiation. But in exchange for what? What has it lost?"

"I do not doubt that PAN has won as a result of its mature policy, but fundamentally I feel that Mexico has won. This new way of doing things has not been easy, of course. In the dominant group (PRI) there is struggle going on between those who want a shift towards democracy and those who still see power as their birthright because they regard themselves as heirs of the Revolution and the owners of Mexico. In National Action, as in the other opposition groups, there are also factions that are thwarting a smooth, effective transition to democracy. They express themselves in different ways that stem from painful, frustrating experiences with election fraud and abuses of all sorts by the authorities; this is why they feel that dialogue and agreement are not only impossible but improper and unjustified as well. Rather than politics, they want war. Rather than coexist, they want to prevail or die trying."

This is one of those moments when he lashes out at these factions and at his detractors: "If they pay no attention to you, you are...naive. If they pay attention to you, you are a scoundrel. It would be better if they told us how they want it, what their ideal politician looks like."

"But PAN has at the very least lost its public image because of this policy."

"I do not think so. If it were losing this image, it would be losing votes, and this is not happening. We are losing it in the eyes of certain mass media that accuse and attack us; we are losing it in the eyes of certain columnists, certain analysts or commentators. But the proof that we are not losing it is that we keep on winning seats, we keep on growing as a party and gaining ground from Baja California to Yucatan. If that were true, the party would be punished at the polls, but this is not the case. In any event, if that hypothesis is true, let us hope that we keep on losing our image that way."

He presses the point: "Whoever speaks out and levels accusations ought to prove them. Let them show me what the quid pro quo has been. For example, there is speculation now about Cofipe [Federal Code of Electoral Institutions and Procedures]. Yucatan was involved in the negotiations? Tell me how it happened? Did we give it up? Are they going to hand it over to us?"

He also denies that the legal reforms that PAN has negotiated are designed to help it by way of a two-party system:

"It is untrue that the new legislation favors a two-party system. The thing is that if at one point the number three political force, the PRD, abandons political activity and withdraws from the arena and negotiations in order to move forward, then a two-party system seems to exist but does not. There are many forces, the three most important ones being PRI, PAN, and PRD. But one of them withdraws, pulls out. In their most conciliatory moments they make a public announcement, from the rostrum in the chamber, that the telephone lines in the PRD president's office are open for whoever wants to talk to the party, because it is very hard to give them the place that they are rejecting. We do not want a two-party system. But the fact is that if the PRD people keep on making the mistakes that they have, we are going to come to a two-party system, and they will be the reason why."

"In your judgment, is a two-party system good for the country?"

"A two-party system, a three-party system, of whatever you choose to call it when there are several political forces forging a country's destiny, must be the consequence of social realities, not of legal artifice or the withdrawal or errors of these forces. All we need now is to have to do the PRD's work for it so that we do not slip into a two-party system. The problem is that the PRD is dropping out; it is hoping that the system falls, that the government is destroyed and toppled, and to the extent that this does not happen, there will be only two representative forces instead of three. So, they are the ones who are creating a two-party system. Oddly enough, they accuse us of making the transition to democracy slow and difficult, and paradoxically we accuse them of the same thing, because they are leaving us on our own to combat the system and the ruling party. If they had a more constructive and more consistent presence in political activity, no one would be talking about a two-party system."

"They say that PAN is giving in to the temptation of power."

"Well, they have to say something given the vacuum that they are creating. But this is not true because, for example, we recently had a major disagreement with PRI, which the mass media have covered, and it was not over PAN's greater or lesser role in electoral bodies or its greater or lesser number of deputies or senators. We disagreed over the makeup of the electoral bodies and we got the changes through in spite of the PRD's absence."

"Is there an unholy alliance between PAN and PRI?"

"Of course not. The point is that if we note that the PRD is removing itself from any possibility of consensus-building, then we have to build a consensus with someone who wants to do so. It is that simple."

"What do you think of the PRD?"

"I think that it is a group within which there are countless ideas, factions, schools of thought, and programs that it has not been able to bring together around a broad national agenda. It revolves around the person of Cuauhtemoc Cardenas. Its president now is Porfirio Munoz Ledo, and it is significant that both are former public officials and former prominent members of PRI. But the PRD contains a real gold mine of Mexicans who are truly of high moral and political caliber, who are from a left that is honest, brave, and steadfast in its struggle yet may become virtually trapped inside a framework of former ruling-party officials, but I hope that this left regains its presence and its power to think and make decisions because it is the valuable part of the PRD."

He goes on to say: "I have great respect and admiration for certain individuals in the PRD, like Gilberto Rincon Gallardo, Arnoldo Martinez Verdugo, and Rosalbina Garavito herself, in spite of our differences and actions in the Chamber of Deputies, as well as for many activists in that party, because all their lives they have fought for their convictions, for their ideals, and for their loyalty to them. Do not believe that my sympathies lie mostly with the ruling party, since these sympathies have brought me the most trouble."

He acknowledges that he has an "excellent relationship with all public officials, from the president of the republic to cabinet secretaries and down to the lowest official with whom I have to deal in my work." Oddly enough, at this point he received a call from the interior secretary, Patrocinio Gonzalez Garrido, whom he addressed by his first name, to arrange an appointment.

The coordinator of the PAN congressional bloc is famous for his sharp, bitter public debates with PPS [Popular Socialist Party] lawmakers. He says that although his talks with public officials are marked by cordiality and affection, he is just as frank with them as he is in public, "and harsh words are often uttered at key moments in arguments and demands. I am the way I am."

"Have you really had arguments with officials like the ones with PPS members?"

"In some dealings with the authorities the talk on both sides has been very harsh, but always respectful, because I have never been provoked by them."

"Do you recall any argument in particular?"

"I remember a lot of very harsh ones, but I do not think that it is proper to make them public."

"Don't personal feelings get in the way of or play a role in negotiations?"

"No. Emotions, friendship, the respect that I feel for my opposite numbers outweigh the sharp remarks, the angry speeches, or the nasty comments that are often made in a debate or a confrontation. Considerate treatment for all overrides all this."

"But you show that kind of consideration, at least publicly, much more in the case of public officials...."

"Just a minute. I show it to everyone, to former officials like Cuauhtemoc Cardenas or Porfirio Munoz Ledo as well. I have friendly, respectful dealings with all of them. Ask anyone you want. If I talk with people from the PPS, with whom I have frequent debates, I feel a sincere, public, personal affection for Cuauhtemoc Amezcua, Hidelbrando Gaytan, Martin Tavira...I have warm personal relations with the PRD people. But the problem is that some people remember only the arguments and the harsh words."

Fernandez de Cevallos is a politician who often invokes God but also often swears at his adversaries. "Well, it should be no surprise that I mention God a lot, because I try to keep Him at the center of my life. He is the beginning and end of my destiny. And as far as swearing is concerned, I must say that at times circumstances make my blood boil, and I drop comments like that, but some of them should be thankful because they deserve even worse."

In private many people call Diego Fernandez de Cevallos "La Ardilla" [the squirrel]. The nickname comes from a joke that started in PAN. The other person is supposed to ask why he is called that. The punch line is: "Because he never leaves Los Pinos [the pine trees]." The reference does not bother him. Laughing, he says: "Well, they should let me spend six years at Los Pinos and then tell me how they like it."

Thus, he has a public reputation as pro-Salinas, and newspaper commentators and political circles sarcastically say that the current president of the republic will have two presidential candidates: PRI's and PAN's, and that the latter will be easy-going, docile.

He remarks: "It is in my interest for them to criticize me for this. I recommend that my opponents sleep tight. Time will tell whether I am a docile candidate for my adversaries or not."

"Are you pro-Salinas?"

"I do not think that there is any reason whatsoever to accuse me of being a pro-Salinas politician, and whoever considers me such has an obligation to prove his claim. The trouble is that in private and in public I have given my opinion of President Salinas, and this has provoked the uncontrollable wrath of some groups and individuals who want the current government to collapse.

"I regard President Salinas as a man endowed with talent, resolve, and the ability to bring about, as we can see, very important changes for Mexico. No one can deny that Mexico today is different from what it was at the outset of his six-year term, in terms of our legal framework, the economy, and political life. In these areas the gains have been major and valuable. The above does not mean that everything has been done well or that the changes have been as sweeping as PAN demands and as the country requires."

He adds that so far the results have been both positive and negative. He explains: "In the economy there have been sweeping rectifications that in macroeconomic terms have, for example, brought inflation down from almost 200 percent to single digits, but at an extremely high social cost, and the crisis, the poverty, and the despair of millions of Mexicans have not been alleviated. Public finances have been straightened out to a great extent; the budget deficit has been cut, and the economy has been deregulated, but all of this has not led to higher living standards and more opportunities for the majority of people. Wealth has been concentrated in very few hands. If this negative result is not overcome in the short term, the consequences could be disastrous."

"Politically, only the fundamentalists who want to destroy everything to build a paradise for us 80 million Mexicans do not see the gains as real. We no longer live under the single-party system that ravaged the national landscape for decades. Today we have a major degree of political competition, and hundreds of public offices are in the hands of the opposition. Of course, the party-government tandem subsists, and the control of major economic and political decisions lies mainly with a single person. Federalism remains an untried element of our constitution. And Pronasol [National Solidarity Program], above and beyond being a valuable tool for meeting the pressing needs of the poor, is also a modern method of political control and electoral manipulation."

"So if someone is talented, capable, and resolute, and if the presidential system remains in place, what has happened, what is to be done?"

"All of the above reflects an unquestionable fact: the current political/governmental system, the so-called Mexican political system must be replaced promptly, because it has nothing left. The fact that a president like the current one, with a team of highly trained colleagues, has been able to go only this far shows clearly that our political structures are obsolete and do not allow for the organization of social efforts. If the party-government were to decentralize the handling of money and decision-making, PRI would lose control of the country in less than 24 hours."

He is reminded that in a public document PAN said that Salinas de Gortari was an illegitimate president and that only through actions and accomplishments could he achieve a secondary legitimacy. Fernandez de Cevallos reaffirms that during this six-year term there have been gains and rectifications that have been and must be acknowledged by millions of Mexicans, but that there have also been negative results: "The current government has built up major political assets, but there are also shortcomings and outstanding bills that have to be paid without delay." He will not venture an unequivocal opinion on Salinas' legitimacy. He reserves judgment, saying: "During the latter stage of this term the federal government has to guarantee justice and fairness in the forthcoming elections and make an immediate about-face to decentralize and distribute the wealth. Otherwise, the country will explode."

Fernandez de Cevallos flatly refuses to comment on or voice any opinion whatsoever about his possible opponents in the presidential race. First of all, he says, "I am not yet the candidate of my party, which has a democratic selection procedure." Second, "it is not up to me to evaluate my possible future opponents; that is up to the citizenry. The only thing that I can say is that I respect all of them, from whatever party, that I feel that they all have good and bad points, and that at all times I will look them straight in the eye and be my true self in dealing with them. The country needs a campaign of truths, agendas, programs, proposals, and if at its conclusion there is harmony as a result of our legal system, then the country's viability will be assured no matter which candidate wins."

"Is PAN going to win the presidency of the republic?"

"No one can say who is going to win in 1994, because despite the unfairness of the upcoming contest, since we know that the government will run its own candidate and that all of the resources of power will be channeled towards his victory, we also know that the vote cannot be controlled altogether and that new developments are taking place in every sphere, and that everything will depend on the candidates, the parties, and the response that society gives at the ballot box."

"Is a PAN victory possible under these conditions?"

"Of course, and even our detractors in the newspapers say so," Diego Fernandez de Cevallos replies, adding sarcastically:

"But you know what they are going to say if we win the presidency of the republic: that they gave it to us."

Costa Rica

President Favors 'Opening Toward Cuba' To Attain Democracy

PA0511011093 Panama City ACAN in Spanish 2332 GMT 4 Nov 93

[Text] San Jose, 4 Nov (ACAN-EFE)—Costa Rican President Rafael Angel Calderon said today he favors a greater opening toward Cuba to seek, through dialogue among different forces, a nonviolent solution to achieve the democratization of the Caribbean island.

Upon justifying Costa Rica's affirmative vote at the United Nations against the embargo the United States has maintained on Cuba for more than three decades, Calderon expressed that "bridges" must be "offered" to achieve "important changes" through dialogue. He stated that the experience of Eastern Europe "has convinced us that there may be changes through nonviolent means." "I feel that sooner or later we are going to have a democratic Cuba and that path can be achieved by making efforts to avoid bloodshed," the president declared.

According to Calderon, just as he will not normalize diplomatic and commercial relations with Cuba during his administration, which will end next May, "we are not going to agree to the use of force" against that nation.

Bilateral relations between Costa Rica and the United States have cooled due to different conflicts with U.S. citizens who have suffered from expropriations in the Central American countries, as well as the suits filed by U.S. labor unions for alleged violations of the labor rights of Costa Ricans.

Presidential Candidate Rodriguez Announces Programs

PA0411130993 Mexico City NOTIMEX in Spanish 0241 GMT 4 Nov 93

[Text] San Jose, 3 Nov (NOTIMEX)—Presidential candidate Miguel Angel Rodriguez of the governing Social Christian Unity Party (PUSC) announced today his agriculture and business program to improve the level and quality of life in rural areas. During his possible administration from May 1994 to 1998, Rodriguez promises to procure a better life for peasants and people who live in the country's rural areas. "It is necessary for farmers and rural area residents to work with more security and that they be guaranteed that their production will have reasonable prices, both for themselves as well as for consumers," the government party leader said.

Rodriguez has distinguished himself as a businessman, a professor in the Schools of Law and Economics, and in politics, as planning minister, and as a deputy and president of the Costa Rican Legislative Assembly.

To achieve his objectives, Rodriguez proposed six core programs today. The first will be to expedite credits for agricultural and livestock activities. This program is to be achieved through legal reforms to the financial sectors, which Rodriguez has already proposed at Congress.

Among the core programs, the PUSC candidate highlighted one that will include investigation and technical assistance for peasant production sectors. Rodriguez also stated that he will make it a point to improve the marketing system for Costa Rican products.

The presidential candidate proposed the development of a clear and effective policy on land tenure. It would continue the current government's program which has granted land titles to 25,000 peasants since May 1990. The Social Christian politician continued with an explanation on the point which refers to sustainable agriculture development, compatible with the conservation of the environment and natural resources. His purpose is "for the agriculture producers to be guaranteed their full entry into the social security programs."

Rodriguez is competing for the Presidency of the Republic with Jose Maria Figueres, candidate for the National Liberation Party, which was founded by his father, Jose Figueres Ferrer, in 1951. Figueres Ferrer entered politics after heading the last Costa Rican revolution in 1948. This leadership took him to power for the first time as a de facto president for 18 months. Later he was elected twice (1953 and 1970) as the country's constitutional president.

Recent polls reflect a virtual tie between the two presidential candidates, with 14 percent of voters undecided. The undecided are the main concern of the two candidates, as the elections will be held on 6 February 1994, only three months from today.

El Salvador

FMLN Asks UN To Act on Death Squad's 'Blackmailing'

PA0411143593 San Salvador Canal Doce Television in Spanish 0300 GMT 3 Nov 93

[From the "Up to Date" newscast]

[Text] A delegation of the Farabundo Marti National Liberation Front [FMLN] on 2 November asked the United Nations to do something quickly about what they describe as the death squad's blackmailing the peace process.

After meeting with UN Secretary General Butrus-Ghali, FMLN Coordinator Shafik Handal said he had asked him for measures to recover the credibility and feasibility of the peace process, particularly for uncovering and dismantling the death squads.

Likewise, Handal said that the investigations and dismantling of the death squads is one of the pending

recommendations of the Truth Commission's report, which mentioned about 20 suspects and accumulated much information that could be used as a starting point.

The FMLN leader believes that the special mission sent by the secretary general for cooperating with the UN observers—the UN Observers for El Salvador, Onusal—and the local authorities should be based on the Salvadoran Human Rights Organization or others.

FMLN's Villalobos Demands Names of Death Squad Leaders

PA0411162293 San Salvador Canal Doce Television in Spanish 0300 GMT 3 Nov 93

[From the "Up to Date" newscast]

[Text] The murder of former FMLN [Farabundo Marti National Liberation Front] leaders Francisco Velis and Heleno Castro has pitted the FMLN and the government against each other regarding the future of the peace process in the country and compliance of military issues in the agreements.

While Joaquin Villalobos on 1 November accused the Armed Forces of not having dissolved the former National Intelligence Directorate [DNI], Oscar Santamaria said this morning that the FMLN does not respect the word of the UN secretary general, who certified that the military intelligence structures that operated during the war had been dismantled.

Villalobos, from the FMLN, demanded that the government disclose the names of the leaders of the death squads, which in recent days began operations. The former guerrillas blame the death squads for Heleno Castro's murder.

[Begin Villalobos recording] I think this is a matter of reacting to a peace process that is advancing successfully. I think they are afraid that this successful endeavor will function. They are afraid because this country no longer has a National Guard or a Treasury Police. They are afraid of what Carmelo [nom de guerre for Heleno Castro] was doing; that is, transferring land to the peasants, struggling so that they could become efficient producers. They are afraid of all these things, and these things must end in the country. That is why they want to kill our companions. [end recording]

Meanwhile, Presidency Minister Oscar Santamaria told this newscast that the preliminary investigations into Castro's death disclose that this was a case of common crime and that there were no political motives behind it; likewise, he criticized Villalobos' remarks to the effect that there are still structures of military intelligence in the country, even though the signing of the peace agreements called for the termination of these organizations.

[Begin Santamaria recording] How could it be possible that certain people now want to come up with some artificially prepared ideas and subjective concepts? These people now claim that the Armed Forces know about all of this. Nonetheless, the UN secretary general certified that all of the Armed Forces' agreements have been fulfilled. The FMLN had centered its attention on these agreements and said that unless these changes occurred, including the dismantling of the DNI, the FMLN would not demobilize and would not disarm. [end recording]

To conclude, Dr. Santamaria said that the events that occurred on 1 November in front of EL DIARIO DE HOY installations are an attack against freedom of the press, and this is not the correct way to protest the media's style of journalism.

CD-FMLN Presidential Candidates on Antideath Squad Measures

PA0411145593 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 3 Nov 93

[From the "Radio News KL" newscast]

[Text] The presidential candidates of the Democratic Convergence-Farabundo Marti National Liberation Front [CD-FMLN] have suggested to the government that it adopt six measures to dismantle the death squads in the country.

Dr. Ruben Zamora said that the country should comply with the Truth Commission's recommendations as to investigating the clandestine groups, dismantling the F-2 [not further identified] section of the National Police, and preventing the Drug Interdiction Executive Unit and the Criminal Actions Investigations Commission from immediately being handed over to the National Civilian Police.

The proposal also includes dismantling the military intelligence battalion, replacing the director of the state intelligence organization, and dismantling the telephone espionage network.

Individuals Murder Chinameca Mayor's Office Senior Official

PA0411135993 San Salvador Canal Doce Television in Spanish 0300 GMT 3 Nov 93

[From the "Up to Date" newscast]

[Text] A group of heavily-armed individuals early in the morning of 2 November murdered (Sebastian Aranibar), a senior official of the Chinameca mayor's office and a member of the Nationalist Republican Alliance [ARENA] party.

According to an Arena leader from San Miguel Department, the criminals were wearing fatigues and carrying heavy-caliber firearms, but they covered their faces with red kerchiefs. (Aranibar) was murdered in his private home, located in El Huehuecho, Los Planes de Chinameca Canton.

The ARENA source from San Miguel ruled out theft as a motive for the murder and demanded that the authorities investigate the murder, for which no group has claimed responsibility.

Guatemala

De Leon Denies Meeting With Legislative Leaders

PA0411135893 Guatemala City Teleonce Television in Spanish 0400 GMT 2 Nov 93

[From the "Telepress" newscast]

[Excerpt] The announced talks between President Ramiro De Leon Carpio and deputies who are challenging the political movement to purge the Congress of the Republic was not held. The president denied on 1 November reports of a meeting with legislative leaders.

[Begin De Leon recording] That is untrue, not the day before yesterday and not yesterday. The day before yesterday, someone said that I was going to meet with the deputies, but from 0800 to 1800 I was at the Santo Tomas Farm, meeting with the entire cabinet, deputy ministers, governor, chiefs of bodies, and so forth. That is not true; therefore, it is untrue that I met with them on 30 October or 31 October. [end recording]

At any rate, De Leon did not rule out a future meeting with deputies if the people or a highly respectable institution asked for it. He confirmed his decision to begin a new visit to the country's interior to hand out the 8 percent [not further specified] to majors, although, he said, this activity will not have proselytizing purposes. [sentence as heard] The president reiterated that the political crisis will be solved by the participation of citizens in the 28 November referendum. [passage omitted]

Nicaragua

Cardinal Miguel Obando y Bravo Interviewed

PA0411131093 Managua Radio Nicaragua Network in Spanish 1100 GMT 3 Nov 93

[News conference by Cardinal Miguel Obando y Bravo with unidentified reporters in Managua; date not given; from the "This Morning" newscast—recorded]

[Text] [Obando y Bravo] [Words indistinct] economic and political situation of Nicaragua is very difficult. The police need adequate resources to guarantee the public's safety. If the police lack even a gallon of gasoline to drive about, they can hardly guarantee Nicaraguans' safety. I think that we must continue our peace efforts. If crimes continue to go unpunished, if there is impunity, crime could continue to grow.

[Reporter] Do you maintain your position that a constituent assembly is the country's only solution?

[Obando y Bravo] I said that [words indistinct] that a constituent assembly was perhaps not viable at this time [words indistinct] call a constituent assembly to allow the people to voice their opinion and solve the problems [words indistinct]. I think that perhaps calling for the election of a constituent assembly could help us solve Nicaragua's problems.

[Reporter] What about the constitutional amendments promoted by all political parties?

[Obando y Bravo] There have been no amendments yet [words indistinct], but I know of no amendments.

[Reporter] What about future amendments?

[Obando y Bravo] As the saying goes: For want of something better.

[Reporter] It seems that there is also a moral and religious crisis in the country. People are committing suicide. On 31 October you voiced your concern over the 15,000 unemployed [words indistinct]. Do you call on politicians to accelerate the solution of the country's problems?

[Obando y Bravo] I did not say there are reportedly 15,000 unemployed. I think there is a 60-percent unemployment rate, and I read in a newspaper that another 15,000 will be dismissed [words indistinct], but there are already 60-percent unemployed plus 15,000 who will be left unemployed, and this will increase the ranks of the unemployed. We do not justify suicides, but there is no doubt that (?this is the result) of the problems we are confronting and the economic problems within families, which could breed desperation. I think Christians should ask the Lord to overcome problems. I think that it is difficult for families with children to be left unemployed and not have money to buy milk, bread, tortillas, and [words indistinct]. That must be a very painful situation.

[Reporter] [Words indistinct] politicians?

[Obando y Bravo] [Words indistinct] I think they should try to solve problems as soon as possible, because the people are expecting jobs, good hospitals, education, housing, and [words indistinct]. I think that the politicians' agenda should include unemployment and insecurity in the country.

[Reporter] Would constitutional amendments ease tension in the country?

[Obando y Bravo] I would say that constitutional amendments would not have much impact on our problems. The president's nonreelection will not solve the problems of unemployment, housing, and so on. Those amendments will not solve current problems. They will not solve problems at the National Assembly either. Assembly problems are serious and should be treated [words indistinct].

[Reporter] Why do you support a constituent assembly then?

[Obando y Bravo] I already answered that question. This is my view. I am not saying that it is the sole solution [words indistinct] the constituent assembly would solve the problem of the National Assembly. Nicaragua's assembly is divided; the deputies cannot reach agreements, and time passes. Who pays the consequences? The poor people, correct? A constituent assembly would be a way to solve the assembly's problems; rather, it would solve one of its problems.

Panama

Comptroller General Ruben Dario Carles Resigns

PA0511011493 Panama City TVN Television Network in Spanish 0000 GMT 5 Nov 93

[From the "TVN News" newscast]

[Text] Comptroller General Ruben Dario Carles on the afternoon of 4 November presented a formal resignation from his post. His resignation will be effective on 5 November.

Carles visited President Guillermo Endara on the afternoon of 4 November and handed him his resignation. The comptroller general claimed two reasons: A job offer from a bank and a possible political career.

Journalists converged on the Comptroller General's Office as soon as rumors of Carles' resignation began. Everything seems to indicate that Professor Carles will meet with the media on the evening of 4 November.

Denies Resignation

PA0511015093 Panama City Circuito RPC Television in Spanish 0052 GMT 5 Nov 93

[Telephone interview with Comptroller General Ruben Dario Carles by Julio Miller in Panama City—live]

[Text] [Miller] Good evening, listeners. Here on the telephone is Comptroller General Ruben Dario Carles. Can you confirm to us you have tendered your resignation?

[Carles] My good friend Julio, thank you for calling me. As for your question, I must say I told the president this afternoon that I was considering tendering my resignation tomorrow, once I was able to work out some final legal details.

[Miller] Does this mean you will submit your resignation tomorrow or that you have already tendered it? Everybody is saying....

[Carles, interrupting] I have not tendered anything. I simply told the president I was considering it.

[Miller] Everybody is saying you resigned already.

[Carles] No, that is not true. I told the president I was considering making that decision.

[Miller] What will you say in the resignation letter you will submit to President Guillermo Endara tomorrow?

[Carles] I will tell him I am resigning, provided that we reach that decision tomorrow, that I hope we remain good friends, and that I hope to see him in the bank where I was offered a good position.

[Miller] Is it a Panamanian or an international bank?

[Carles] Panamanian.

[Miller] Are you resigning because you hope to be president or due to differences with the government?

[Carles] No at all. Political problems belong to political parties. [Unidentified voice is heard in the background saying: "Say no more!"]

[Miller] Do you aspire to a presidential candidacy?

[Carles] That is a matter for the political parties to decide.

[Miller] Is this resignation not a bit surprising?

[Carles] No. I think that in this democratic world anything can happen, and I think the best thing for me was to make a decision because I could not let this offer go unanswered much longer.

[Miller] It is a Panamanian Bank, and you will hold that position in Panama.

[Carles] Yes, here and abroad.

[Miller] So, are you and the president going to meet tomorrow? Will there be a meeting prior to your tendering your resignation?

[Carles] No, once.... [pauses] If there is any confusion, I will get in contact with you to give you the letter, if I tender it.

[Miller] Any additional details?

[Carles] No, just my best to you, and my thanks always to you and the rest of the boys.

[Miller] How do you describe your term in the Comptroller General's Office, considering you said this country was ungovernable.

[Carles] We will talk about that some other time.

Argentina

Camilion Reports on Negotiations in U.S.

PY0411203393 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1814 GMT 4 Nov 93

[Excerpt] Buenos Aires, 4 Nov (NA)—The cabinet today analyzed the possibility of sending a bill to Congress creating special courts to speed up trials on labor issues. Ministers attending the meeting also reported progress in the area of the state reform program, which will be more noticeable next year following the dismissal of some 50,000 public administration employees who will have to be absorbed by the private sector.

Defense Minister Oscar Camilion briefed the cabinet on his negotiations in the United States to purchase 36 radar units for the A4-M planes. Regarding the probable landing of troops in Haiti the minister said Argentina will not participate "in combat operations."

The cabinet meeting took place in the situation room at Government House and was attended by President Carlos Menem. Foreign Minister Guido Di Tella, who is on Aland Island [Finland], and Economy Minister Domingo Cavallo, who is in China, did not participate.

Defense Minister Camilion opened the meeting at 0925 with a detailed analysis of his conversations with U.S. officials, seeking to lift the ban on Argentina purchasing U.S. radar units for its combat planes.

Camilion noted that the United States gave him a "great reception," adding that it was clear that the State Department "is more open to a dialogue." Camilion said that "U.S. interest centers on its peace mission and Argentina's active participation in them."

Regarding the purchase of radar installations for its combat planes, Camilion said he trusts the United States will lift the arms embargo that was imposed on Argentina following the conflict in the South Atlantic. [passage omitted]

Military Adviser to UN Mission in New York Dies

PY0411204293

[Editorial Report] Buenos Aires NOTICIAS ARGENTINAS in Spanish at 0113 GMT on 24 October carries a 100-word report on the death of Lieutenant Colonel Patricio Day, the military adviser to the Argentine UN mission in New York. In a brief communique the Argentine Army reported that Day, 42, died from a heart attack in New York on 23 October.

Government 'Does Not Renounce' Sovereignty Over Falklands

PY0411162693 Buenos Aires LA PRENSA in Spanish 3 Nov 93 p 6

[Text] Foreign Minister Guido Di Tella said yesterday that Argentina is seeking "imaginative solutions" to resolve the problem of sovereignty, and does not renounce its legitimate rights over the Malvinas Islands. It was Di Tella's most important political statement during his official visit to Great Britain.

During the morning Di Tella held several meetings with representatives of Malvinas Islands economic interests in London, to explain the Argentine Government position on the islands.

"The most important thing was that the islanders did not walk out when the issue of Argentine sovereignty over the islands was mentioned," a member of the delegation accompanying the minister said.

The first meeting included Falkland Islands Committee delegate Michael Shersby and South Atlantic Council delegate Cyril Towsand, who are the delegates most likely to accept "a dialogue" within the framework of the hard position taken by the islanders in referring to their relations with Argentina.

Di Tella later talked with a delegation from the South West Atlantic Group, headed by Lord Morris and Commander Rankin, who hold a more critical position regarding relations with Buenos Aires.

Spokesmen said that an example of these strained relations was shown when the dialogue between the minister and Commander Rankin experienced "tense moments" during their exchange of opinions.

The minister was, however, able to get the representatives of the three groups—which hold different opinions about the island's future, and clash among themselves—to sit together for a new meeting. "This was another important diplomatic achievement," the spokesman said sarcastically.

Menem Criticizes Pope's Remarks on Communism

PY0511001693 Buenos Aires BUENOS AIRES HERALD in English 4 Nov 93 p 13

[Excerpt] (DYN-NA)—President Carlos Menem yesterday criticized the recent remarks made by the Pope concerning communism.

The President expressed his disagreement, saying that communism had brought nothing but "hunger, misery, and war."

The Pope said in a recent interview that communism contained some, "seeds of truth" such as "its concern for the poor" and had complained that in some countries

capitalism had gone "wild in the same way that it had done at the end of the last century."

The President, who is to visit the Pope next month, said: "I honestly respect, admire and love His Holiness but I see no redeeming feature in communism." [passage omitted]

Di Tella Satisfied With UK Investment Increase, Ends Visit

PY0411205193 Madrid EFE in Spanish 1857 GMT 3 Nov 93

[Text] London, 3 Nov (EFE)—Argentine Foreign Minister Guido Di Tella today concluded his visit to London, satisfied with the increase of British investments in his country and convinced that, despite the dispute over the Malvinas Islands, it would be possible to reach an agreement with the islanders.

In remarks to a group of journalists, Di Tella emphasized the substantial increase of British investments in Argentina, which makes the United Kingdom the largest investor in this South American country.

The foreign minister referred to a $1.6 billion investment "British Gas" will make in a gas pipeline between Argentina and Chile, something that, according to the minister, would have been "unthinkable" a few months ago.

Concerning the conflict on the sovereignty over the Malvinas Islands and his government's commitment to respecting the islanders' way of life, the foreign minister was convinced of the possibility of reaching an agreement with Malvinas Islands residents "even though they say no."

Di Tella admitted that the 1982 Malvinas war aggravated an "intrinsic difficulty" between Argentina and the United Kingdom following the sovereignty claims the South American country has been raising for 150 years.

Nevertheless, the foreign minister said there is a new Argentina and his country is willing to offer guarantees to the islanders from congressmen and third countries in order to assure them that their way of life will be respected.

In this context, the Argentine foreign minister, who pointed out that no written or formal proposal on these guarantees has been made to the United Kingdom, mentioned Canada or a European country of Latin origin as an example.

Di Tella emphasized that during a possible negotiation with the United Kingdom on the Malvinas Islands the British Parliament will take the islanders' decision into account.

Moving on, Di Tella focused on the military issue he wanted to discuss during his visit. He said the purchase of high-technology radars from the United States is at a "standstill."

After the Malvinas war, the United Kingdom reached an agreement with the United States to prevent the sale of sophisticated systems to Argentina that would allow the latter to rearm itself.

The foreign minister admitted that his country is pressuring the United Kingdom to make possible the purchase of sophisticated radars to equip 36 A-4 "Skyhawk" fighter planes Argentina wants to purchase from the U.S. Navy.

Nevertheless, Di Tella emphasized that Argentina might purchase these radars from Israel, but it prefers to purchase them from the United States.

During his three-day visit to London, Di Tella confirmed his satisfaction over a joint communique on fishing in the South Atlantic that was signed on 1 November in the British capital.

This agreement signed by Di Tella and [British Prime Minister Douglas] Hurd regulates the quantity of fishing allowed below latitude 45 south.

Di Tella's is the first visit by an Argentine foreign minister since the 1982 Malvinas war that pitted the two countries against each other over the possession of the islands. Argentina and the United Kingdom resumed diplomatic relations in 1990 after negotiations in Madrid.

Optimistic Over Future Oil Agreement

PY0511002493 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1915 GMT 4 Nov 93

[Text] Buenos Aires, 4 Nov (NA)—Today, Foreign Minister Guido Di Tella said that "there are great differences" with Great Britain over the oil subject on the Malvinas Islands, "although he said he was optimistic about the possibility of reaching an agreement in the future by pointing out that "the entire oil development (on the island) will be delayed if no previous agreement is reached with Argentina." [quotation marks as received]

The foreign minister made this statement in Finland, where he is assessing the status of the Aaland islands, inhabited mostly by Swedes, in search of an alternative legal framework for the Malvinas Islands.

In this sense, Di Tella explained that the Aaland Islands "enjoy a special status" because they continue under Finnish sovereignty, but they preserve the language and basically Swedish customs of its inhabitants.

The foreign minister commented: "These are the cases we are assessing to see if we can find a formula that must be designed like a made-to-measure suit for our Malvinas Islands."

As for the possibility of "seeking new paths" to solve the Malvinas issue, Di Tella proposed "the presence of third countries as guarantors of any agreement with Great Britain, because this is what Argentine desires."

He mentioned that the United States would be one of the countries asked to act as guarantor, "as is obvious and necessary, so that the islanders may rest assured that the agreement that will be signed is respected."

Regarding the meeting held in London with British Prime Minister John Major, Di Tella said it was "a protocol meeting that ended up as a working meeting that lasted one hour, during which all subjects were raised."

Di Tella added: "Now they know, at all levels, what we have in mind, that we are flexible and willing to discuss formulas that will safeguard the islanders' way of life. This is, basically, what we discussed with Major as well as with Foreign Secretary of State (Douglas) Hurd."

Most problems refer to oil development. Therefore, the minister warned that he will hinder before the international organizations "any type of oil exploitation project that does not include a previous agreement with Argentina."

Di Tella said, however, in a statement to Radio America that he had confidence in future negotiations because the British "are willing to consider the alternative of cooperation with Argentina."

Di Tella said: "I would say that although we have not found solutions, we have made progress for a future meeting, and this is what we agreed on during the last series of meeting with Hurd."

Panel Approves Rules for Debate on Constitutional Reform

PY0511002193 Buenos Aires BUENOS AIRES HERALD in English 4 Nov 93 p 13

[Excerpt] (DYN-NA)—The Justicialist majority of the Lower House's constitutional affairs committee yesterday approved a resolution ruling that the statement declaring the need for an amendment of the constitution can be approved with two-thirds of the vote of those legislators present at the session.

While the opposition continued to protest about the haste in which the matter was treated, the committee managed to approve the resolution only a week after it passed the motion calling for constitutional amendment received from the Senate.

Only 90 minutes into the debate at the committee session, the Justicialist legislators decided to sign the resolution presented by Democratic Centre Union (UCeDe) deputy Francisco Duranona de Vedia.

Radical legislators headed by Deputy Miguel Ortiz Pellegrini left the meeting and charged that the ruling party has pushed through the resolution to "approve the reform bill," during an impromptu session.

Despite the announcement made by Lower House Speaker Alberto Pierri, who said that the body will debate the reform on November 24, the Radicals continued to charge that the Justicialist caucus is set to call a surprise session before that date in an attempt to lower the number of legislators needed to approve the statement.

Justicialist Deputy Jorge Yoma said that the congressmen had signed a "preresolution" and not a final report on the number of legislators needed to call for constitutional reform.

A total of 13 Justicialist legislators plus Duranona y Vedia signed the resolution as the Radical deputies stormed out of the meeting in outrage.

Sources said that the Justicialist Party will now try to obtain a similar resolution from the Senate's constitutional affairs committee before the Lower House debates the reform.

Progressive Democrat Party Deputy Alberto Natale, who also opposed the Justicialists move during the meeting, said that the resolution "proves that the reform will be voted on by surprise some time at dawn." [passage omitted]

Cavallo Says Results of Asian Tour 'Very Positive'

PY0411205493 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1425 GMT 4 Nov 93

[All quotation marks as received]

[Text] Buenos Aires, 4 Nov (NA)—Economy Minister Domingo Cavallo today said that the tour he is making of the Far East is "very positive," adding that there are good prospects for increasing exports to that region.

Cavallo said the best prospects are in paper, cardboard, lumber, telecommunications, and industrial equipment.

The minister spoke to Radio America by phone from Hong Kong, after visiting the PRC and before leaving for the Philippines. Cavallo said: "There is intense activity in Beijing, particularly in the construction of buildings, both for industry and housing."

He said: "The country is experiencing big expansion, I was there in 1986 and I have seen considerable improvement in people's living standards, the way people dress, the variety of products in shops, and the quality of housing."

He said that he held "important meetings with Chinese officials with whom we discussed trade matters. We then visited Shanghai for two days. This city is becoming China's most important commercial and financial center."

He said that in Shanghai "there is impressive development, and they are building a sort of industrial city."

Cavallo emphasized: "There are possibilities for making major equipment sales because all Chinese industries are being modernized and buying equipment."

He added that it is also possible to sell equipment for ports, electric power distribution, and telephones, adding that "the growth in the paper, cardboard, and lumber industry is impressive," even though the "recession in Europe and the United States keeps the price of those products low."

Concerning Chinese growth, Cavallo said it is based on "the same secret Argentine used in its economic recuperation, a macroeconomic order that assures stability and an open attitude toward both import and export trade."

Cavallo emphasized: "It is not by chance that the four countries with the highest growth in the 1991-93 period are two southeastern Asian countries, China and Thailand, and two southeastern Latin American countries, Argentina and Chile."

"According to recent World Bank reports, Argentina is the third- fastest-growing country in the world. The report estimates 7 percent growth for this year. This is realistic because we believe our average growth will be 8 percent."

He said the list is led by China, with a growth rate of almost 12 percent, followed by Thailand, with more than 10 percent, while Chile ranks fourth with 7.5 percent.

Bolivia

COB Calls 72-Hour Strike of Teachers, Health Workers

PY0411170093 La Paz Radio Fides Network in Spanish 1100 GMT 4 Nov 93

[Text] Workers who belong to the Bolivian Labor Federation, COB, will do their best to make the 72-hours strike which began today a success.

At a meeting held yesterday, the COB leadership confirmed the 72 hour strike to protest the government policy of dismissals from state-owned companies. The meeting also rejected a project to privatize pension funds and called for more government attention to university budgets and land problems affecting Bolivian peasants.

The COB delegates who attended the meeting did not discuss the status of COB-government dialogue, they just focused on various strategies aimed at making the executive branch more flexible. The delegates did not rule out the possibility of an indefinite general strike beginning next week.

COB Organization Secretary Ruffo Rivera stated after the meeting:

[Begin recording] Companeros, the meeting also studied measures that could be implemented during the 72-hour strike that started today. The COB executive board called a general mobilization of all [word indistinct] on 4 November. On 5 November there will be marches of all unionized workers and craftsmen who belong to the COB. [end recording]

Thus, from today, 4 November until 8 November, there will be no classes at public schools or universities, nor will medicare be available at National Health Care and Health Ministry facilities.

Administration Launches 'Relief Plan' for Dismissed Workers

PY0411174093 La Paz Radio Fides Network in Spanish 1100 GMT 4 Nov 93

[Text] Barely 30 minutes before the Bolivian Labor Federation, COB, strike was due to start at midnight on 3 November, the Bolivian Government approved a relief plan to help workers dismissed from public organizations. This plan includes the creation of an employment office and a monthly payment of 500 Bolivian pesos for a maximum of one year. Social Communications Minister Hermann Antelo explained this plan to us:

[Begin Antelo recording] As you have said this relief plan includes two measures: The establishment of a relief fund and the creation of an employment office.

The relief fund has several objectives. The first is to give lower-income workers, who were earning less than 1,000 Bolivian pesos, a monthly payment of 500 Bolivian pesos for 12 months. The relief fund will also pay for training courses to help them find other employment through the National Labor Training Institute, Infocal, and other similar institutions.

If some dismissed workers decide to set up business cooperatives among themselves they will be allowed to take all 12 payments in a lump sum to provide the capital for their cooperative. The relief fund will be used for other purposes as well.

The employment office seeks to reconcile labor supply and demand by making available information on the job market to prospective employees and employers, thus expediting the employment of all workers searching for a job.

The National Treasury and the country in general will make an enormous effort to set up this relief fund which is a display of awareness and concern for those who have lost their jobs. Funds originally earmarked for other uses will be reallocated to build up the relief fund. This is an attempt by the administration to alleviate the problems caused by the inevitable need to streamline state-owned companies. [end recording]

Thank you, Mr. Minister. The president met with COB leaders last night, could you give us the highlights of this meeting?

[Begin Antelo recording] The meeting was the result of the invitation that the president sent to the COB executive board last night. It was a gesture of courtesy and rapprochement to labor leaders, seeking to brief them on the relief plan because we believe it will protect the same people the COB claims to care for; low-income workers.

The only purpose of the meeting was to brief the labor leaders about the relief plan. During the meeting, the president made clear that the administration wants to keep the channels of communication with the COB open despite the prevailing situation, and that he hopes that ways will be found to create new jobs in these times of great need.

This administration continues to work on its long-term plan to reactivate the economy so as to create the stable, productive jobs that we have promised and to find definite solutions to the problem. The relief plan seeks to resolve a temporary situation which is hard on everyone. [end recording]

Thus, yesterday the administration launched its relief plan based on two measures: an employment office and an unemployment payment of 500 Bolivian pesos per month for a maximum of one year for workers dismissed from state-owned companies.

Foreign Minister Quiroga Speaks at Integration Seminar

PY0411212793 Cochabamba LOS TIEMPOS in Spanish 23 Oct 93 p A2

[Text] La Paz, 22 Oct (LOS TIEMPOS)—"We are finding ourselves before an undeniable wide range of integrationist undertakings in Latin America in which our country is called to assume a really important role," Foreign Minister Antonio Quiroga said today in opening the seminar "Bolivia and the Roads for Latin American Integration." The seminar is sponsored by the Foreign Ministry's Foreign Policy Study Department and the Latin American Social Research Institute (ILDIS).

This possibility, said Quiroga, is based on the undeniable Bolivian triple projection toward the Andes, the Amazon, and the River Plate Basin, and the role Bolivia may play in the hemispheric projection of Latin American integration due to the openness and stability of its economy.

He said: All the discussions on the validity of the concept of integration invariably conclude in its reaffirmation.

He added: "The inability of our countries that continue to subsidize inefficiency leads to the drastic opening of the Latin American countries' economies to international competition. This experience that initially was in open contradiction to Latin American integration was able to impose the validity of this concept with even greater force."

Quiroga added: "Without any doubt, the fact that we had to face indiscriminate international competition in which the technological know-how exceeded the limit of the imagination until only a few years ago reaffirms once again the historic imperative of integration to achieve the objective of finding better and more equitable terms for the admission of our economies into the international context."

Quiroga then referred to the "sudden return of the concept of integration" in the region. He also mentioned the examples of the Andean Group's reorganization, the creation of the Common Market of the South, the upcoming implementation of the Free Trade Agreement, and the bilateral agreements signed in the Latin American Integration Association.

Quiroga concluded by saying that the dynamism created by the joint actions of the Latin American countries shows that important steps are being taken "for recovering the credibility of our economic agents with regard to the concept of integration."

Brazil

Finance Minister Explains Economic Policy to Congress

PY0411190593 Brasilia Radio Nacional da Amazonia Network in Portuguese 1804 GMT 4 Nov 93

[Report by Corban Costa from Congress]

[Text] For more than one hour, Finance Minister Fernando Henrique Cardoso has been explaining to the Federal Senate plenum the economic policy currently being adopted by the government. Minister Cardoso spoke about the five main points of this policy:

The first point concerns the governability challenge. He urged Congress to swiftly and severely investigate the corruption charges. The second point concerns the inflation rate which, he said, will remain at around 35 percent until the end of the year, and begin to decline next year. On the fiscal crisis, he told senators that to balance public accounts it is fundamental to fight tax evasion and reduce expenditures. He told the senators that this year's economic growth will be about 5 percent of the GDP and that reserves total nearly $25 billion. He added that exports will reach a record $40 billion.

Right now, the minister is answering senators' questions.

Briefs on Economic Situation

PY0411222493 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 4 Nov 93

[Text] Finance Minister Fernando Henrique Cardoso today explained to the Senate the Brazilian economic situation.

At the Senate plenary session, Cardoso began his speech by referring to current methods for making decisions on public spending. The minister advocated a reformulation, at this time of crisis when many charges are being

pressed in connection with the budget. The minister stated that this model includes a pact of old regional elites that has ramifications in the legislative and executive branches.

The minister asked the senators to approve the 1994 budget without modification so the government can achieve the desired stabilization:

[Begin recording] No matter what, we will not give up the struggle, ensuring that the stability that we may achieve is not built upon illusions, but on an actual change of practice. This change begins with a change in the budget, for which—I reiterate—I request Your Excellencies' support. This change continues with changes in those managerial, institutional, and constitutional matters that are essential for this country to meet its people's aspirations. [end recording]

Cardoso told senators that interest rates remain high to curb the inflationary trend. He added that inflation should remain stable at approximately 35 percent until the end of the year. He once again ruled out the possibility of adopting a plan or package to curb inflation.

Defends Constitutional Reform Plan

PY0511003893 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 4 Nov 93

[Passages within quotation marks recorded]

[Text] Finance Minister Fernando Henrique Cardoso has spoken in the Senate. He defended the proposal to reform the Constitution. The minister said Brazil has never been in a better position to defeat the economic crisis.

The minister asked and then answered his own question: What do we need to make inflation drop? He showed graphics, technical data, and used the best oratory for 60 minutes. The minister talked to senators about the urgent need to change the Constitution. What we need is to reform the Constitution, he said:

"No matter what we do, we will go nowhere without reform. I spoke to you today about the budget tightness and the deficiencies of the tax system, which is inadequate to provide the resources that are urgently needed to satisfy some constitutional obligations. We will not be able to do anything without some kind of constitutional reform."

According to the minister, the investigation of reports about corruption affecting the budget is very important. But still more important is to change the budget itself, which is the source of all the corruption. It is time for democratic institutions to correct their own shortcomings, the minister said:

"Congress will be strengthened by fulfilling its role in the democratic order if it can get to the bottom of the problem with this CPI [Congressional Investigating Committee], and if it concludes by punishing those who are responsible."

The minister asked for the help of senators to make essential reforms in five constitutional chapters: the chapter on tax and social security systems; the chapter on public employees; the chapter on monopolies; the chapter defining the role of the federal government, state governments, and municipalities; and the chapter on federal government entitlements. The minister said this is the most difficult path, but it is the only definitive path to stabilize the economy:

"People want to know about the plan—does the government have a plan? The government does have a plan, but it is not the plan that those asking want to see. We are taking the most arduous but also the most consistent path. We are putting our public finances in order. We have mechanisms that are not compulsory, but they will be able, at the right time, to move the economy into a stabilization process."

The minister also told senators that the country has a great opportunity, adding that the government will defeat inflation if the fiscal adjustment program is approved.

[Cardoso] "We have not had such a favorable situation in many years. Brazil can finally move in the right direction. But the entire community must be involved. It all depends on society's real efforts, if Congress really seeks solutions and if the government really implements the decisions we make here."

[Joelmir Betting] "In summary, the minister said the following: Inflation will begin to really drop if the country embarks on the physical and moral cleanup of our public accounts. The task must begin this year by restructuring next year's federal budget. Congress also must approve the short-term measures—which are still being discussed—to balance the accounts covering November and December of this year. The government economic plan is simply called a fiscal adjustment, but a real adjustment, which is a job that must be faced by the government and Congress together."

Rejects Use of Self Coup

PY0411222293 Madrid EFE in Spanish 2103 GMT 4 Nov 93

[Text] Brasilia, 4 Nov (EFE)—Brazilian Finance Minister Fernando Henrique Cardoso said today that the serious political crisis Brazil is going through should not be resolved by the "self coup" formula implemented in Peru by President Alberto Fujimori last year.

"We do not want 'Fujimoris' and we will not have them," Cardoso said today on the floor of the Senate to explain the basis of his economic stabilization program and the challenge for governing the country at a time of political upheaval.

Cardoso, a 62-year-old sociologist, said the democratic regime in Brazil is being tested by the congressional investigation of the alleged plot to manipulate the national budget in which 24 deputies, four senators, one minister, and three former ministers are involved.

Cardoso said this scandal, which forced Congress to create a special investigating committee two weeks ago, will allow the creation of adequate controls on public spending.

"This is the time to break the nefarious alliance between the regional oligarchy, political party sectors, business groups, and executive branch officials," said Cardoso in referring to the alleged network created in the congressional budget committee to manipulate official resources.

Cardoso called on congressmen to cooperate with the government to prevent economic stabilization from being based on "illusion," thus discarding the "shock" plan, and to draw up a budget report next year reflecting government austerity.

Cardoso rejected the possibility of implementing in Brazil "dollarization," which is a mechanism of a fixed exchange rate in relation to the dollar, as instituted in Argentina.

He also expressed his confidence that inflation will not go over 35 percent a month in the remaining months of this year.

Franco Dislikes Finance Minister's 'Power Nucleus' Proposal

PY0411162593 Rio de Janeiro O GLOBO in Portuguese 3 Nov 93 p 3

[Article by Monica Gugliano]

[Text] Juiz de Fora—President Itamar Franco did not like Finance Minister Fernando Henrique Cardoso's proposal to create a power nucleus within the government to overcome the hesitancy of the Executive Branch over the reported budget corruption charges.

An adviser close to the president said: "In a presidential system of government, the nucleus of power is the president. There are no other centers of power."

According to presidential spokesman Franciso Baker this is not the president's idea, and it has therefore not even been considered. Franco should talk with the finance minister today, upon returning to Brasilia, after spending a long weekend in Juiz de Fora.

There were disagreements in the cabinet about the creation of a nucleus of power. While Labor Minister Walter Barelli approved the idea, Justice Minister Mauricio Correa criticized it.

"I don't see what that nucleus would be. The president has full command of the situation and of his functions," Correa said.

According to lawmakers close to Franco, it is impossible to compare the situations in the Collor and Franco governments. During the operations of the CPI [Congressional Investigative Committee] looking into the PC [Paulo Cesar Farias] affair, some ministers created something similar, calling it the "ethics group," in an attempt to give support to the government.

One lawmaker said: "The Collor Government was rotting. Today the situation is difficult, but only in Congress, where the Budget CPI is every day finding new people involved. Yet the president will continue to govern normally. This proposal gives the impression that the president has no power."

Another presidential adviser also ruled out the idea of a nucleus of power on the grounds that it should be better explained by Cardoso:

"How would the nucleus operate? Will the country have some first-class and other second-class ministers?" the advisor wondered sarcastically.

The president ordered the press official to deny reports that the cabinet reshuffle would be moved to an earlier date, or that Presidential Secretary General Mauro Durante would replace former Minister Henrique Hargreaves at the Civil Household. Until Franco picks up a successor for Hargreaves, Tarcisio Carlos Almeida Cunha—the Civil Household legal adviser—will be the acting Civil Household chief.

"The president continues to be the political coordinator of the government, and the leaders are his arms in Congress," Baker said.

Franco Authorizes Revision of Government Accounts

PY0511022793 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 4 Nov 93

[Text] President Itamar Franco has authorized a revision of government accounts. The budget bill prepared by the government that includes this year's expected spending has almost 3,000 pages. Congress added another 1,200 pages. The additions are amendments introduced by deputies and senators.

The government, encouraged by the CPI [Congressional Investigating Committee] on the budget scandal, now wants to know if any budget irregularities were introduced by the government itself.

Planning Minister Alexis Stepanenko met today with the 27 ministries' budget and finance coordinators. They are the ones who help define government spending needs during the year. The budget coordinators will be carefully looking for something special called investments, that is, the money the government leaves as a reserve for

emergencies in states and municipalities. This year the reserve was set at 1.4 trillion real cruzeiros. This money is liberated, for instance, for sanitation works or school building without any formal requirements. And as the planning minister says: That is where the danger lies.

[Begin Stepanenko recording] We have learned through the CPI that this valve was used for irregular practices. We are going to examine our accounts. [end recording]

Military Ministers 'Opposed' To Advancing 1994 Elections

PY0411174293 Sao Paulo FOLHA DE SAO PAULO in Portuguese 2 Nov 93 Section 1 p 11

[Text] During a meeting with President Itamar Franco last week, the military ministers stated that they are opposed to advancing the 1994 elections. In their opinion, advancing the elections might encourage some rationalization and even intervention beyond the control of the institutions. The Armed Forces are concerned about guaranteeing governability.

Despite his denial, Itamar talked with congressmen and government palace officials about advancing the presidential elections slated for November 1994. Army Minister Zenildo de Lucena, Navy Minister Ivan da Silveira Serpa, Air Force Minister Lelio Viana Lobo, and Arnaldo Leite Pereira, the Armed Forces General Staff chief, advocate observing the Constitution.

Privately, the Armed Forces High Command is worried about Finance Minister Fernando Henrique Cardoso's economic policy. The military echelon has misgivings over the combination of a high inflation rate and the crisis prompted in Congress over the CPI [Congressional Investigating Committee] and protests over the lack of prospects for any type of planning.

The military ministries are annoyed because the government has decided not to authorize a 35 percent salary hike for civil and military servants. Some Army generals had already announced the increase.

In addition to the current discontent over low salaries, the High Command is worried about the adjustment scheduled for January. An adjustment of more than 150 percent had been agreed upon, but the Finance Ministry is already warning that it will be difficult to make this money available.

Exports Threatened by Possible U.S. Exclusion From Preferential Tariffs

PY0411191193 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 3 Nov 93 p A3

[Text] Brazil is being threatened with losing an important benefit on its exports to the United States. The U.S. Government may exclude it from the General Preference System, SGP, which allows preferential tariffs on nearly 4,000 industrialized products when they are exported by developing countries to countries that have signed such agreements (United States and the EC). The U.S. Government, which joined the SGP quite some time after the European countries, plans to review the list of products that benefit from this tariff and exclude some nations it believes have surpassed the underdevelopment stage contemplated by the SGP.

The "Asian tigers" already have been excluded from the SGP and, apparently, the next victim will be Brazil. Of our exports to the United States in 1991, the products that could have benefited from the SGP totalled $2.2311 billion but, in reality, only 58 percent of this potential was used.

Our effective exports to the United States within the framework of the SGP in 1991 totalled $1.303 billion, equivalent to 19.8 percent of our overall exports to that country. Our exports to the EEC, however, were larger ($2.342 billion, that is, 20 percent of our overall exports).

If these advantages are suspended, Brazilian exporters will face serious difficulties. We must point out, however, that some of these products are exported by multinational companies that are repatriating their profits to their headquarters. The threat is very serious in the case of products exported to the United States. The suspension had been scheduled for September, but it was postponed for another year. Nevertheless, Brazil may be the first country affected by this decision. Mexico and Brazil benefited most from the SGP. Once NAFTA is approved, Mexico will no longer need the SGP. In this case, it will be easier to remove Brazil, which was using the facilities granted to Mexico for geopolitical reasons. The opposite, however, is less likely because it would be more difficult to remove Brazil and maintain these benefits only for Mexico.

Unlike other developing countries, however, we did not know how to profit from the SGP, which could have been extended to a larger number of products. This shows a lack of interest on our side. Finally, Washington can use this possible suspension as a way to exert pressure on Brazil, particularly over the intellectual property law. Brasilia must open bilateral agreements with the United States to negotiate the reduction of tariffs, which are now being implemented without government matching funds.

Deputy Freire: Minister Costa To Leave Government 'Soon'

PY0411205693 Sao Paulo FOLHA DE SAO PAULO in Portuguese 2 Nov 93 Section 1 p 11

[Article by Tales Farias]

[Text] Roberto Freire (PPS-PE [People's Socialist Party-Pernambuco State]), government leader in the Chamber of Deputies, on 1 November said President Itamar Franco is "uncomfortable" with [Regional Integration Minister Alexandre] Costa's presence on his team. Freire warned: "He will leave the government pretty soon." Freire believes that not even the support of Senator Jose

Sarney (Brazilian Democratic Movement Party-Amapa State), former Brazilian president, is enough to keep Costa at the head of the Regional Integration Ministry. According to Freire, Planalto Palace would be willing to give up the Sarney group's support for the government in Congress if necessary.

Deadline for Agreement on Foreign Debt Postponed

PY0411223293 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 4 Nov 93

[Text] The final deadline for concluding an agreement on the renegotiation of Brazil's debt with international private banks has been postponed.

In a note released this afternoon, Central Bank President Pedro Malan reports that the deadline was changed from 28 February to 15 April 1994.

Malan explained that the postponement follows legal problems affecting some banks and because of the delay by Congress in approving measures like the fiscal adjustment.

Malan said the fiscal adjustment is essential if Brazil is to reach an agreement with the International Monetary Fund and another agreement with the banks.

Chile

Government Will Not Cooperate With Naval Blockade of Haiti

PY0511001893 Santiago EL MERCURIO in Spanish 22 Oct 93 p C7

[Excerpt] Chile has formally decided that it will not cooperate with the naval blockade of Haiti, which seeks the fulfillment of the commercial embargo established by the UN Security Council to pressure the de facto authorities to return power to constitutionally elected President Jean-Bertrand Aristide.

This was disclosed by Heraldo Munoz, Chilean ambassador to the OAS, after a meeting yesterday afternoon with Foreign Minister Enrique Silva Cimma.

Munoz said that among other subjects, he and the foreign minister assessed the current situation in Haiti.

He said they agreed that it was inappropriate for Chile to send a warship to cooperate in the naval blockade.

Munoz said: "We decided not to participate in the blockade because we believe it more constructive to help restore democracy in Haiti." [passage omitted]

Aylwin, Von Weizsaecker Hold Joint News Conference

PY0411204093 Santiago Television Nacional de Chile Imagen Internacional in Spanish 1700 GMT 4 Nov 93

[Text] German President Richard von Weizsaecker expressed his satisfaction with the way in which the Chilean Government has handled the issues of former German leader Erich Honecker and Colonia Dignidad.

The German president, with his Chilean counterpart, Patricio Aylwin, held a news conference at La Moneda Palace today.

Concerning the Erich Honecker case, the German president was grateful for the humane treatment the Chilean Government gave the ousted East German leader. Von Weizsaecker added that, for Germany, this case is closed. Therefore, he did not want to make any additional remarks.

Concerning Colonia Dignidad, the German president also was grateful for the Chilean Government's clear stance in this case. He added that the next decision is in the hands of the Chilean Supreme Court.

In the economic field, the German president said Chile and Germany are bridgeheads in the relations between Latin America and Europe. Von Weizsaecker added that his country will reject any proliferation of European protectionism.

In conclusion, the two presidents agreed in emphasizing the current good relations between Chile and Germany that have been further enhanced during the government of Patricio Aylwin.

Foreign Minister Expects Uruguay Round of GATT 'To Succeed'

PY0411190793 Madrid EFE in Spanish 2032 GMT 3 Nov 93

[Text] Segovia (Spain), 3 Nov (EFE)—Chilean Foreign Minister Enrique Silva Cimma today emphasized that Ibero-Americans have high hopes of the European Community. He noted: "We expect the Uruguay Round of the GATT talks to succeed."

Silva was today in the Spanish city of Segovia, 100 km from Madrid, participating in a seminar on the reconciliation of Ibero-American law and European legislation, sponsored by the Bilbao Vizcaya Bank Foundation (BBV).

Among the participants are Allan Brewer, the Venezuelan secretary of state for decentralization, and experts and professors from Spanish universities.

The Chilean minister told EFE: "The Uruguay Round of the GATT should raise concern within the European Community on seeking solutions that involve a sense of respect for liberty."

The Chilean minister added: "It must avoid protectionism, which could disturb or discourage most Latin American countries."

Silva said: "We cannot try to appoint Spain as our ambassador to the European Community because Spain itself must decide on this role. But for obvious reasons, we believe it may understand us better."

Nevertheless, Silva indicated that he is "content" with the role the Spanish Government may play as a go-between before the Ibero-American countries.

Professor Manuel Clavero Arevalo, an administrative law professor, emphasized: "By ignoring colonialism, Spain cannot ignore its Ibero-American calling as an European Community member."

Clavero Arevalo chaired today's session of the seminar in Segovia, which is a preparatory seminar for a future juridical forum on Ibero-American law. He advocated the need to attempt a reconciliation through talks to establish the basic ideas of a state of law and a society with democratic principles.

Clavero Arevalo concluded: "I believe Spain and Ibero-American countries have a common experience. We cannot forget that they were part of Spain and that Spanish law was enforced. The common language is also a unifying factor."

Colombia

ELN Bombs Political Headquarters; Gaviria Comments

PA0411204593 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 3 Nov 93

[Report by Raul Gutierrez; from the "24 Hours" newscast]

[Text] Four days following the resumption of diplomatic relations with Cuba and the confession by former Priest Manuel Perez that he shares Fidel Castro's ideology, the National Liberation Army [ELN] has launched a terrorist offensive against the electoral process. Here is Raul Gutierrez with a report:

[Begin recording] [Gutierrez] According to a report published today, Priest Manuel Perez has said that the ELN's ideological leader is and will be Fidel Castro. It is then believed that Cuba is continuing to give some type of support to the ELN and that through means such as terrorism, kidnapping, and murder, the ELN will disrupt the electoral process.

This morning Santa Fe de Bogota was hit by four bomb explosions at various political headquarters. The bombs caused only minor damage. Hours later, President Gaviria said that protection will be provided for political parties. Gaviria said this during the commemoration of the Administrative Department of Security's 40-year anniversary.

[Gaviria] Neither the bombing of political headquarters nor threats will prevent Colombians from freely electing their leaders and legislators.

[Gutierrez] Today's bomb attacks were perpetrated by the ELN's Oscar Serrano Front and prove that the guerrillas will try to disrupt the electoral process. In March Colombians will elect a new congress, in May a new president, and in October governors and deputies. [end recording]

* Samper Discusses Apertura, Cusiana Earnings

94P20064 Cali EL PAIS in Spanish 23 Sep 93 p 10A

[Excerpt] [Introductory paragraph omitted]

[EL PAIS] Gaviria has won high marks with regard to economic matters. Even the government's critics acknowledge it. How would you surpass that?

[Samper] The "apertura" [economic liberalization] program has already been implemented and it is necessary to keep it going. Import liberalization, tariff reduction, elimination of barriers to foreign investment, making the labor market more flexible—these constitute the first phase which has already taken place. I participated in that and it must be maintained.

But we must go beyond what we have already achieved. I have spoken of the second stage which consists in dedicating all our efforts to competitiveness.

[EL PAIS] But that is just what Gaviria proposed....

[Samper] O.K., but he has run out of time and that work must be continued.

[EL PAIS] You have been described as an "enemy" of apertura....

[Samper] I have said—and I think the statistics are proving me right—that apertura should have been carried out gradually. I have said, and continue to say, that selective protection was needed because not all sectors of the economy respond in the same way.

[EL PAIS] But where are the bankruptcies that resulted from apertura?

[Samper] It is not a matter of having bankruptcies to show whether it has gone poorly or well. I think there are some sectors which have in fact been affected, although some measures have been introduced to try and rectify this. But it is also necessary to keep in mind that our apertura program is not typical because it has been implemented in the midst of disturbances, as a result of violence for example.

[EL PAIS] The president said that to alter the apertura program would be an outrageous thing to do. Do you agree?

[Samper] Yes, to reverse apertura, at this time, would be outrageous. The important thing is to move forward. And this is what I am proposing. The situation in the agricultural sector or in sectors such as footwear and leather demonstrate the need to continue moving forward.

[EL PAIS] What is the solution for the agricultural sector?

[Samper] As I have already indicated, I think the strategy should include three objectives: first, make provisions for ensuring the food supply; second, since over 30 percent of exports are agricultural products, this sector should play an important role in the internationalization of the economy, and finally, provide security to the sector.

[EL PAIS] The government maintains that it will not modify the exchange rate because it is the result of market forces....

[Samper] I disagree completely with those who say the exchange rate is determined by the market. There is not a serious country in the world that holds this view. The country cannot continue to carry out revaluations at this pace, because it is one thing to carry out a revaluation in a closed economy and another to do so in an open one.

[EL PAIS] How would you manage the earnings from Cusiana in order to avoid such a revaluation?

[Samper] I would propose opening three accounts. The first would be for the departments where the oil is produced and distributed; this would be used to finance development plans. The second would be the national royalties fund and would be used to finance development projects. Third, I would establish a national government account to be used for two purposes: to introduce technology and open new marketing channels.

[EL PAIS] Colombia is one of the countries with the highest rates of taxation for the petroleum industry. Would you lower these taxes to attract investment?

[Samper] More than taxes, what is discouraging investment are factors such as the lack of infrastructure and technology, and the costs of energy and raw materials.

[EL PAIS] What is the first front where work needs to be done in order to enter the period of competitiveness?

[Samper] We need to grow at an annual rate of 5 percent, and to lower the unemployment rate to 7 percent. For this reason, we must concentrate our efforts on employment. The foundation of economic policy in the next few years will have to be the creation of productive employment positions. We will have to generate close to 3.5 million such positions. Herein lies the greatest economic policy challenge.

[EL PAIS] What will you do to strengthen free trade agreements and to further integration?

[Samper] It is not a question of signing free trade agreements everywhere, but rather the big objective is to form an inter-American bloc which would include North, South, and Central America.

[EL PAIS] Why is it that in certain sectors you are viewed as a representative of the "Old Country"?

[Samper] I do not know. I cannot explain that. Could it be that to speak to the country about the environment, infrastructure, and technology is to represent an option that belongs to the past? It is precisely about the future that I am speaking. I cannot direct my comments to the past, because I am not going to be president before Gaviria, but after him.

[EL PAIS] How would Colombians remember your government if you were to become president?

[Samper] I hope they remember two things: a profound social change, and that I modernized the means of production in terms of infrastructure and technology.

* Projected Spanish Investments Detailed

94SM0050B Santa Fe de Bogota EL ESPECTADOR in Spanish 2 Oct 93 pp 1, 2B

[Text] The most ambitious European trade offensive in Colombia was launched yesterday by a delegation of Spanish businessmen.

At the conclusion of a week of talks with economic authorities, production associations, and Colombian colleagues, the Iberian businessmen reached important agreements to undertake a variety of industrial projects with Colombian partners.

According to the director of the trade mission, Jose Garcia Morales, nearly $1.2 billion will be invested in the majority of the business ventures currently under way or about to be agreed upon.

Of that amount, $80 million worth of projects are already under way, and an additional $300 million has been committed to various ventures since last year.

Pursuant to the bilateral agreement signed by the two governments last year, operations amounting to $600 million are taking place. Initially, investments were expected to total an estimated $1.2 billion.

Of the funds that have been committed, $200 million corresponds to mixed credit, with very soft financial terms, from the Development Aid Fund (FAD).

The remaining $400 million is in the form of commercial loans extended by international banks.

The primary Spanish investment in Colombia so far has been an electric power plant built by the Colombian-Spanish consortium CCI-Sevillana in the industrial district of Barranquilla.

One of the Spaniards' goals is to set up subsidiaries of their most prosperous industries in Colombia. One example is the manufacture of high-technology paints.

The Inesva Company, a leader in paint production, has already made contacts to begin distributing fire-proof and rust-proof paints and the famous anti-mosquito paints beginning next year.

The multinational intends to turn our country into its principal industrial center in Latin America. Last year Spain exported nearly $230 million worth of goods to Colombia, and the balance of trade between the two countries favors the peninsula.

Businessmen from that European country, supported by the National Association of Industrialists (ANDI), also agreed that a key ingredient in making sure that Colombian production is more competitive worldwide is technology.

For this reason, they pledged to carry out numerous industrial projects in which technology transfer plays a major role. This includes such sectors as telecommunications, leather, and shoes.

The businessmen complained, however, about what they called "changing rules of play" in the economy. They proposed that the government expand the scope of legislation governing foreign investment.

They also noted that Colombia has a skilled work force, but it lacks the technology to make its production more competitive.

Similarly, they indicated that the Colombian banking system charges very high interest rates, and "leaves a lot to be desired" in terms of the services it offers. "The banks are not doing the business they should be doing," they stated.

Al'nacer Coming on Strong

In this regard, it was announced that a group of businessmen from the two countries have formed a partnership to build a plant in La Corona from which the brand Al'nacer will be distributed. The main products sold under this brand are orthopedic children's shoes.

In addition, it was reported in Medellin that the shoe factory, which will produce 1,000 pairs of shoes per day and will generate 2,000 jobs, will begin operating in March of next year.

The business deal, which was closed during the Spanish businessmen's visit to Colombia, organized by the ANDI, will be implemented in the next two weeks, when the articles of incorporation of the company are expected to be signed. The initial investment will amount to 50 million pesetas, equivalent to $500,000.

In addition to the new plant, a school-workshop will be built to train personnel in shoe manufacturing, under the supervision of Spanish experts. According to the businessmen, the Spaniards are far ahead of the Colombians in this field.

The Spanish businessmen stated that the new factory will produce shoes of medium to high quality, and will specialize in children's shoes.

The objective is not only to strengthen the Colombian market, but also to take advantage of the favorable geographic conditions, the proximity of the leather industry, and the local labor market to expand sales within the Andean Group. Another goal is to make use of Spain's experience for future exports to Europe through Spain.

Al'nacer is a manufacturer that specializes in children's shoes. It is headquartered in Viena, Alicante Province, and it provides employment for 80 percent of the population of that city of 36,000.

All Eyes on Coal

The Spanish trade mission indicated that another attractive area for investment in Colombia is mining.

In this regard, Jose Garcia Morales, director of the delegation, stated that he would submit a proposal to energy authorities to invest in several coal mines.

In his opinion, there is also great potential in the area of infrastructure, but there is a lack of coordination in plans to let contracts for highway building.

Spanish Investment in Colombia (Projected)

Amount		Objective
$300 million:		Rural telephones
		Industrial facilities
		Educational plans
$600 million:	$200 million	Energy plans
		Infrastructure
	$200 million	Plastics industry
		Paints
		Containers
	$200 million	Support for flower production
		Technology transfer
$300 million:		Projected investments for coming years in different sectors

Source: Spanish Confederation of Business Organizations (CEOE)

* Economic Growth Projected for 1993

94SM0049B Santa Fe de Bogota EL TIEMPO in Spanish 29 Sep 93 p 1B

[Text] This year, the total national production of goods and services will be up about 4 percent. The increase might have been greater had it not been for the limited dynamism in exports and the fact that businessmen are spending too much on foreign goods.

If the policies designed to lower interest rates, reduce inflation, and promote dynamism in the job market are continued, consumption will be stimulated, and this will mean greater economic growth.

However, imports will continue to increase, weakening the favorable effects of private investment, since the increase in purchases abroad represents an additional expenditure for the economy. Also, exports will remain at a low level.

The Office of the Comptroller General of the Republic set forth these conclusions in a report on the current economic situation published in the most recent issue of ECONOMIA COLOMBIANA, the periodical published by that office.

In the opinion of the Office of the Comptroller General, the country's economic growth this year will depend to a great extent on the success achieved in the domestic reform processes, rather than on the development of the world economy.

The economic prospects for 1993 are better than those for last year despite the difficult situation the farm sector is still experiencing.

This office believes that inflation will continue to decline this year, reaching a level of between 22 and 24 percent.

It warns, however, that the probable increase in the fiscal deficit and the wage and price policies for goods and services controlled by the state will make any further reduction in living costs difficult.

The Office of the Comptroller General believes that the decline in inflation will depend in great measure on the prudent management of the government deficit and an adequate supply of foodstuffs.

The Fiscal Deficit

On the other hand, the report said that it will not be possible to achieve the goals set by the board of directors of the Bank of the Republic this year, which called for a fiscal deficit of one percent. According to the study, the disparity between state income and state expenditures will be the leading source of instability.

"The potential for bringing the public deficit down to about one percent of the GDP [gross domestic product] seems limited, and a deficit of at least 1.5 percent can be anticipated, regardless of how it is financed," the report says.

In the opinion of the Office of the Comptroller General, one of the leading causes of the increase in government expenditures this year has to do with the Constitutional Court ruling that juridically "knocked down" the cashing of social development and domestic security bonds (BDSI). These resources could amount to 0.5 percent of the GDP. On the other hand, according to the calculations of this office, the unemployment rate will come to about 10 percent.

Concerning the exchange-rate policy dictated by the discoveries of oil in Cusiana, the study says that devaluation should be decreased in order to avoid the effects of greater foreign-exchange income.

[Box, p 1B]

A Slowing of Growth

The projections drafted by the National Association of Financial Institutions (ANIF) and the Foundation for Higher Education and Development (FEDESARROLLO) are not very optimistic. According to these bodies, the economy will not show growth this year of more than 3.2 percent in the best of cases. This increase in the GDP would have been greater but for the results of the coffee crisis, the drop in the prices of basic products, the world recession, and the short-term effects of the more open economic approach. However, economic growth might come to even less if other additional recessive factors are taken into account. These factors include a probable crisis in Venezuela, the need to slow public expenditures, and the increase in the required contributions for health and pension funds included in the draft social security law. The increase in contributions will mean an increase in labor costs, and this will be reflected in reduced production and employment. According to the FEDESARROLLO model, an increase of 10 points in the contributions will mean a decline of one percent in the GDP. In addition, the ANIF estimates that the atmosphere today is one of great uncertainty. "The outcome of the approaching elections could have an effect on the policy of allowing a more open approach."

The Plan and the Reality

Current Annual Growth

	1991-95 Development Plan	1991-92 Development Plan	1991-94 Probable Maximum*
Farm sector	5.4	2.2	2.2
Industry	5.0	2.8	2.1
Total GDP	4.5	2.8	3.2

* Combination of the figures reported in 1991 and 1992, plus the most optimistic projection in the ANIF-FEDESARROLLO study for 1993 and 1994.

Economic Projections of the Office of the Comptroller General for 1993

Growth	4 percent
Inflation	22-24 percent
Unemployment	10 percent

Chart by EL TIEMPO Editorial Drafting Department.

* Survey Shows 'Deterioration' in Coffee Sector

94SM0050A Santa Fe de Bogota EL ESPECTADOR in Spanish 1 Oct 93 p 1B

[Text] The deterioration of the coffee sector, especially in Caldas, is obvious. Fertilizer sales in this region have fallen by more than 35 percent, and the decline in coffee production is disturbing.

The Crece has been publishing the Coffee Opinion Survey in Caldas since 1990. According to the study it released for the first quarter of 1993, the coffee sector in Caldas has been in decline since the second half of 1991.

Since that time, the situation has been growing worse and worse.

The balance for the third quarter of 1991 was zero, and from that time on the figures fell steadily, reaching a negative 35 percent in the first quarter of 1993.

As a result of this deterioration, coffee growers have faced the need to cut their production costs and their demand for goods and services from the rest of the economy.

The results of the survey reflect a decreasing use of fertilizers.

This is consistent with the reported decline in fertilizer sales in the department of Caldas (35 percent between 1991 and 1992).

Despite this economic situation, investments rose between 1991 and 1992 for 56 percent of coffee growers, remained the same for 20 percent, and declined for the remaining 24 percent.

The principal types of investment were: reconditioning coffee plantations (43 percent), replanting coffee trees (23 percent), and planting other crops (17 percent).

This may reflect an interest by coffee growers in protecting their heavy investments in coffee plantations.

With regard to expectations, coffee growers believe that coffee production will be lower than 1992 levels.

Thus, 44 percent of coffee growers expect the harvest between April and September 1993 to be smaller than that of the same period in 1992, while 33 percent expect it to be the same size.

The farmers who have ceased to grow coffee have chosen to plant the following crops: fodder (44 percent), bananas (11 percent), yucca (6 percent), citrus fruits (6 percent), and sugarcane (2 percent).

The decline in the security and living conditions of residents in this region is obvious.

* Ethics Debate Holds 'Risks' for Samper

94SM0054A Santa Fe de Bogota EL TIEMPO in Spanish 3 Oct 93 p 4A

[Commentary by Enrique Santos Calderon: "Samper: Ethics and Something More"]

[Text] With the expulsion from Ernesto Samper's campaign of three legislators supporting his presidential aspirations, Ernesto Samper made a basic decision that has provoked reactions and commentaries of all kinds.

"Basic and obvious," say the liberal moralists of the new stamp. "Late and contradictory," the supporters of Pastrana protest. "Unfair and demagogic," the Samper supporters who are friends of those ousted warn. It could be added that this was a courageous action, but one likely to lead to political surprises for the liberal candidate.

The fact is that this was a strategic decision apparently designed to clarify Samper's ambiguous image in relation to the more dubious exponents among the politicians who have surrounded him for some time now. This seems to indicate that the opinion of the public is being given priority over patronage.

The question is how far the ethical debate that now dominates the presidential campaign can go. It involves a greater risk for Samper than for Pastrana, who has succeeded in maintaining an image of independence from a political group from which the liberal candidate seems to want to separate himself.

But to what purpose, at what cost, and for how long? The electoral cost can be calculated. For example, it is estimated that the expulsion of the legislators Marin, Cote, and Gechem might cost him some 50,000 votes in Huila, Caqueta, and Amazonas. In compensation, he strengthens the vote of the independents, who are becoming more important every day, and does not abandon the fringe opposed to patronage to the smiling Andres. How far it can go depends in part on how many "porrazos" like that suffered in Leticia his campaign can still tolerate.

It is not likely to be easy for Samper to separate himself from people who, like Jorge Gechem Turbay, for example, have "carried the load" for him for so many years. But in the final analysis, this is a strategic choice, one that demonstrates an intention to make a clean break with attachments (or adhesions, Osuna would say) tainted by political misdeeds or schemes that this country is increasingly willing to tolerate.

In this sense, Samper's actions have been consistent with his code of ethics. It would have been very bad had they not been, although there are those who maintain that this is a double-edged sword that could prove unmanageable,

or could become a knife pointed at his own throat. This is the thesis of those who insist that politics and knavery are inseparably coupled.

In any case, complaints about a "witch-hunt" and descriptions of Samper as an "elitist," or even a "new Savonarola" (the Italian monk who in the end was the victim of the blaze he had himself so feverishly fanned) are now being heard. In the opinion of some others, Samper's action was more a demonstration of naivete, or merely a lack of political realism.

I think that it was instead a very coldly and carefully contemplated political choice. I believe it was the product of the changes that have occurred in the country with the new Constitution, the zeal for reestablishing morality that is now in the air, and all of the recent international experience, which shows how the banner of the war on corruption is leading the people to vote en masse against the traditional political class in Europe, Asia, and Latin America.

Samper is climbing on this bandwagon, persuaded that these elections will mark a definite transition toward votes that express the opinion of the people. But he is counting on retaining the support of the political group that has followed him. He must realize that being the candidate of this group would not guarantee his victory, but seeming to be could indeed guarantee his defeat.

The dilemma facing the political class is a cruel one. Many of its members are bitter, have suffered harsh blows, and with no one to help them, are burdened with increasing discredit. There is praise for Samper for keeping his distance, but in the knowledge that if not Ernesto, then who?

It is clear, then, that nowadays combating corruption is profitable in an electoral sense, although it does not always produce the best political results. There is, for example, the case of Venezuela, where as a result of the rejection of Perez, the leader in the polls—because of his reputation for honesty—is Rafael Caldera, an elderly former president who is 77 years old. Yet from every indication, he would be a catastrophe as the head of the Venezuelan Government at the end of the century.

The problem arises when the ethical debate serves to camouflage a lack of ideas, or when morality is raised to the level of obsessive and exclusive ideology. Because then, as we have seen here, moralizing purism leads to extremes such as the paralysis in the hospitals, leaving cultural and recreation centers for the people without funds, or charges that the entire upper level of the government from the president on down is guilty of violating the law like common criminals.

Thus all sense of proportion is lost. And then Gaviria or Minister Hommes is regarded as no less knavish or reprehensible than the governor who robs his department, the congressman who lines his pockets by means of political corruption, or the assistant public prosecutor who sells state secrets to the Mafia.

It is a good thing to clean up politics and to weed out the corrupt from among those who are honest. And it is a good thing to have ethics as a constant reference point in the presidential campaign. But let there be talk of some other issues, as well, please. Let us hear more proposals concerning problems like health, jobs, and the inadequate security that also concern the citizens of Colombia. Or would you say no, Andres?

Ecuador

President Congratulates Fujimori on Referendum Results

PA0411214793 Mexico City NOTIMEX in Spanish 2149 GMT 1 Nov 93

[Text] Quito, 1 Nov (NOTIMEX)—In a message that was sent to Lima, President Sixto Duran-Ballen said today that the electoral victory of Peruvian President Alberto Fujimori "constitutes a step toward strengthening democracy" on the continent.

The Ecuadoran Foreign Relations Ministry announced in an official communique that today Duran-Ballen sent a note to Fujimori to congratulate him on the results of the referendum held on 31 October in Peru, in which the "yes" vote won. Duran Ballen stated in his note: "The significant support the Peruvian people have given you is the clearest proof of support for the policies you are implementing to promote democracy in Peru."

The president added in the note that through the referendum, Peruvians reiterated their rejection of the terrorist groups that "have attempted to thwart the attainment of the common good and progress" in Peru. After expressing his "special satisfaction" over the referendum's results, Duran-Ballen pointed out that Fujimori's electoral victory "constitutes a step toward the strengthening of democracy on our continent."

Two Rightist Parties Merge for Parliamentarian Elections

PA0411163493 Paris AFP in Spanish 0034 GMT 2 Nov 93

[Text] Quito, 1 Nov (AFP)—Leaders of the Republican Unity Party (PUR) of President Sixto Duran-Ballen and the Conservative Party (PC) of Vice President Alberto Dahik on 1 November confirmed their decision to merge the two parties and participate together in the May 1994 parliamentarian elections.

The merger of the two rightist parties will be announced officially as soon as the appropriate documentation is submitted to the Supreme Electoral Tribunal and the current unified reorganization process is completed in the country's 21 provinces, Dahik said.

Ecuadoran Vice President Dahik had revived an almost extinct PC. President Duran-Ballen had formed PUR almost three years ago to run for president of the

Republic in the past elections after having disagreements with the also rightist Social Christian Party (PSC), which came in second in the 1992 elections.

The alliance has caused serious disagreements within the young PUR and even the dismissal of its first National Director, Mauricio Gandara, and the resignation of several of his followers.

This merger will reduce from 17 to 16 the number of legally recognized parties in Ecuador.

Paraguay

Wasmosy Says U.S. 'Pressed' Ministry To Accept Highest Bid

PY0411194093 Asuncion ABC COLOR in Spanish 4 Nov 93 p 13

[Text] President Juan Carlos Wasmosy yesterday said that, contrary to rumors that the Finance Ministry tried to profit from a bid opened to improve cadastral office services, the pressure to accept the highest bid came from the United States. He said: "How can we face Congress and say that we accepted the highest price? I do not want to be questioned by the Congressional Investigating Committee. If they condition this to granting the credit, they can take it back."

President Wasmosy was questioned about an alleged attempt by some officials to charge a substantial bribe and accept the highest price in a bid opened by the Finance Ministry Cadastral Office. According to rumors, the World Bank was the one to discover the irregularity. Wasmosy, however, said the situation was exactly the opposite.

He explained that, according to a report from the Finance Ministry, "the United States pressed the ministry to accept a price much higher than one would think."

"They practically demanded: Unless the price is accepted the credit will be suspended. Now tell me how we will face Congress and say that we have accepted a much, much higher price although all other bidders had been preclassified," he asked journalists.

He concluded by saying: "I don't know. I do not want to face a Congressional Investigating Committee. If this is a condition to granting the credit, they can take the credit back."

Armed Forces Transfers Suggest Creation of 'Elite Group'

PY0411190293 Asuncion ABC COLOR in Spanish 29 Oct 93 p 12

[Text] During the last meeting at the commander in chief's office, which was held on 27 October at the General Headquarters, engineer Juan Carlos Wasmosy, Armed Forces commander in chief, ordered new transfers. Special Order No. 109 determines the transfer of 175 line officers and 35 support services officers to new military units.

The Army Command, headed by Division General Lino Cesar Oviedo, received 99 new line officers and 22 support services officers. The largest number of military officers was transferred within the Army.

According to data supplied by high-ranking military commanders, who asked not to be identified, the Army commander requested for his command the best men available in the various Army units. The order, signed by engineer Wasmosy during the last meeting at the commander in chief's office, confirms a report that we published on the formation of an elite group that would be under Oviedo's direct command.

The high-ranking military commander requested the transfer of 12 officers with the rank of colonel and 20 lieutenant colonels to the Army Command. He also managed to have 19 officers with the rank of major and 19 captains join his command. The Army Command will also be joined by 17 first lieutenants, 11 lieutenants, and one second lieutenant.

A majority of support services officers—as 22 military officers will now serve in the Army Command—have also been transferred to the Army Command.

The Military Forces Command managed to secure the transfer of 29 officers, including 10 colonels and nine lieutenant colonels, who will be under the direct command of Vice Admiral Eduardo Gonzalez Petit.

Rejis Also Secured Important Transfers

The Logistics Command, headed by Division General Anibal Rejis Romero, secured the transfer of 26 officers, including nine colonels, five lieutenant colonels, one major, five captains, two first lieutenants, three lieutenants, and one second lieutenant. Rejis Romero also managed to have 10 support services officers transferred to the Logistics Command from other Armed Forces units.

Eleven officers were transferred to the Presidential Guard Regiment, and seven officers were transferred to the War Materiel Directorate.

Notably, only two colonels were transferred in the Navy. In the Air Force, under the command of Division General Jose Cespedes Zarza, a captain was alone transferred.

Peru

* Commentator Scores Fujimori's Economic Policy

94SM0064B Lima LA REPUBLICA in Spanish 14 Oct 93 p 6

[Editorial by Mirko Lauer]

[Text] The economy continues to be this government's political Achilles' heel. An Imasen poll announced that 88 percent of those surveyed believe that the economic situation is going from normal (61 percent) to bad (27 percent). Sixty-four percent believe that lack of employment is the country's No. 1 problem; 41 percent believe it is the economic crisis.

The Government's efforts to emerge from the economic swamp consist almost exclusively of trying to attract foreign investment, particularly to the privatizations. But until now the local economic depression has attracted mostly speculators, and few productive investors.

The Government's central argument to attract investors is contradictory: it depicts Peru as a bargain of depressed assets and at the same time an increasingly stable place. This formula might attract speculators, but only with great difficulty would it attract entrepreneurs with long-term plans.

The suspicion is already circulating that even several privatizers, like the Soros brothers who today hold the majority of CPT shares, are not the proverbial "strategic investors," but rather wild speculators dedicated to buying and selling depreciated Third World assets.

One of the problems is that today the main factor of stability is Alberto Fujimori's popularity (he rebounded from 61 percent to 69 percent, according to Imasen), rather than the performance of the economy itself. A report on Peru in the FINANCIAL TIMES of London mentions, without a great deal of enthusiasm, "A fragile trust that is beginning to return."

This return might continue to be delayed indefinitely if the economy itself shows no signs of real health. For example, if the productive investment process does not start to be led by Peruvians themselves. Nothing discourages outside investors more than seeing the local capitalists working as tour guides and acting macho. The arguments to explain the economic stagnation are quite varied. Some claim that an unnecessarily burdensome foreign debt service is to blame. Others, such as Carlos Bolona, think that the Government's plan has lost strength and now survives by inertia.

In the face of this situation, it has been some time since Fujimori has stopped making economic promises to the people. His offers are all in the area of the antisubversive struggle and in modest personal gifts of durable consumption goods. But there is not a single word on economic objectives for the majority.

There has been growth over the last six months but it is not even remotely succeeding in putting the economy at sufficient levels for the population. Particularly because the economic and social reforms have placed an iron curtain between business growth and improvement of the people.

The size of the foreign debt and the structure of local production allow one to predict that on the path of this economic program, Peruvians will have to wait many years for any business growth to translate into significant in employment.

* Deputy on Need for Confidence in Market, Currency

94SM0064C Lima EL COMERCIO in Spanish 14 Oct 93 p B7 txt

[Text] "The de-dollarization of the Peruvian economy—80 percent of the total monetary circulation of which is in US dollars—will be possible only when there is confidence in the stability of the domestic market, the exchange rate, and inflation," Deputy Luis Bedoya de Vivanco, member of the Democratic Constituent Congress [CCD] Economic Committee, said yesterday.

"When that confidence has been created, the economy will recover on its own," he added.

He indicated that with respect to the problem of the economy's dollarization, there are two factors: one is the presence of dollars from drug smuggling, and the other is the great preponderance of informal trade in the domestic economy.

Bedoya de Vivanco believes that one mechanism to de-dollarize the national economy would be to provide incentives for sole-denominated savings. "But in some ways, that contradicts the market policy that this government is applying," he added.

When asked about the possibility that the Central Reserve Bank might intervene in the national market, the congressman said that that institution would have to make use of mechanisms permitting it to inject soles into the national market and reduce the required reserves.

"However, the difficulties will continue because many of those soles would then be converted into dollars," he argued, thus rejecting this alternative.

Bedoya de Vivanco claimed that the national economy's dollarization shows that there are phenomena that the Government has not succeeded in controlling. "Fiscal austerity was not sufficient, nor was the fiscal discipline to control the inflationary expectations," he added.

On referring to the approval plans for Fonavi [National Housing Fund] that the Economic Committee sent yesterday to the full session of the CCD for discussion, Bedoya de Vivanco claimed that said document summarizes the 14 initiatives that were presented on this issue before said working group.

"It is a bill that allocates resources to Fonavi exclusively for housing construction and establishes that capturing those funds will be through the personal savings system in financial institutions," he added.

* Editorial Examines China's Motives in Nuclear Test

94SM0064A Lima EL COMERCIO in Spanish 7 Oct 93 p A2

[Text] The Beijing regime's decision to renew nuclear testing revives a delicate issue on which, until now, it was thought that consensus had been achieved: that of the nuclear moratorium and world security that, in the end, involves as important a value as peace.

According to what the Chinese Government announced in an official communique, "On 5 October (the day before yesterday) China carried out an underground nuclear test" in the northwestern area of the country. Its effects were also verified at nuclear and seismic stations in Hong Kong, London, and the United States, whose governments have expressed their concern. Moreover, Washington immediately announced that, in reprisal, it would renew nuclear testing next year, which is also of concern.

It is currently impossible to predict how far the Chinese Government, whose true motivations are difficult to understand, will go in such a negative and pressured situation.

What is clear is that, since the end of the Cold War, which marked a turning point on a whole epoch of world tension based on the nuclear power of two irreconcilable ideologies, it was thought that the situation would give way to a new order, characterized specifically by the peace sign.

Thus several initiatives were launched, tending to strengthen both the United Nations Organization in its role as guarantor and promoter of peace and democracy, and the nuclear disarmament talks and treaties.

In this latest area is President Bill Clinton's proposal—announced only three months ago—that the governments of the world's nuclear powers undertake two things: a one-year moratorium on nuclear testing; and suspension of their nuclear proliferation projects. Requests that, until now, had been agreed to in countries such as France and Great Britain, as well as Yeltsin's Russia.

In this context the Chinese nuclear test the day before yesterday appears out of place. And one understands the Beijing Government's argument even less, that it was merely a "self-defense" procedure. Against whom and why does a nuclear power like China, with veto power in the UN Security Council, have to defend itself?

It is also contradictory that the Chinese Government has indicated that it will continue to carry out these tests, so long as it does not sign the "international treaty prohibiting nuclear testing." In the face of this, it is relevant to ask how one can arrive at a formal agreement if they reject a one-year moratorium, which seeks precisely that objective.

For all that, the real causes of the Chinese decision appear to be in other directions. On the one hand, it is possible that what it is trying to do is make a show as a world power, dismissing a request from a greater world power, which until now has been recognized as the United States.

On the other hand, it is worthwhile to ask whether, given the simultaneous holding of negotiations between Beijing and Hong Kong, the nuclear test might be an intimidation maneuver to eliminate any possibility of renegotiating—as Hong Kong is requesting—the transfer of the current British dominion of Hong Kong to the Chinese mainland.

In either case, however, this renewal of nuclear testing by mainland China is also irresponsible, because it could again revive an arms race whose consequences would be regrettable from any point of view.

Not simply because, and this is the main thing, it would signal a return to a precarious world balance, in which peace, and even survival of the human species, might depend upon the judgement of a few. Moreover, there is limited room for ideological pretexts, since the Chinese economy opened itself up to capitalism several years ago, with clear success.

Also, because it would be regrettable that from now on the little that the First World currently allocates in international aid and cooperation would no longer be allocated to conquering poverty and the enormous North-South gap, but rather to feeding a useless arms race.

Because of all that, before this nefarious trend is resumed, it is necessary and urgent that the international community unanimously express its rejection of it; and that a more appropriate and realistic case be made for coming to an international nuclear disarmament agreement. International diplomacy must act, with all the legal weapons at its disposal, to prevent the return of the "balance of fear" that nuclear proliferation would mean.

Uruguay

Exports to Argentina Affected by High Inflation Rate

PY0511000193 Montevideo LA MANANA in Spanish 22 Oct 93 pp 16-18

[Excerpts] Uruguay continues to lose the competition with Argentina. Despite the fact that no changes are expected after the electoral results in Argentina, our products gradually are becoming more expensive for Argentine consumers.

The first outcome of the Argentine congressional elections was the consolidation of the stabilization process, and the second the electoral political support for the plan. [passage omitted]

All the indications show that the Argentine situation will definitely be maintained at least until the end of this year.

There are strong possibilities that no changes will occur in Argentina until the first half of 1994 except for the introduction of lateral adjustments within the Economy Ministry's program. These adjustments generally are studied in economic team "meetings" held in January or February.

Argentina is the only market where the competitiveness of Uruguayan products still is maintained, although it gradually is being reduced due to price stability in Argentina and the higher inflation rate in dollar terms in Uruguay. The two-digit inflation rate of the last two and one-half years had a direct impact on costs.

This situation that acts as a brake on exports also is beginning to act as an accelerator on the import of Argentine products as the prices of the two countries converge.

By observing the bilateral trade one can see that the balance has favored Argentina for years, and in the recent past it was even favorable to Argentina in the most critical times of the differences in prices.

In fact, by analyzing the basic data of the real situation and the "cooling" of the Uruguayan economy one finds that the demand from the Argentine market is decreasing. Last year a large part of the increase in the gross domestic product, especially in some sectors, was explained by the large Argentine demand.

This is where one finds the reasons for the greater demand and Argentine consumption, which reached stability (eventually its ceiling?) early in the second quarter of this year.

Also, the retraction in the production of energy shown in the latest government figures makes one think that exports to Argentina have decreased.

Although it is expected that in the near future the exports of physical goods will decrease or at least stay at the current level due to the aforementioned factors, the prospects for exporting services seem to be good, especially in relation to services for tourism.

The level of economic activity shown by tourism is promising as long as the problems of unjustified high prices are not repeated again. The number of tourists expected should be higher than last year. This also would compensate for the reduction of Brazilian tourists in the last two years due to the peculiar economic situation in Brazil.

Venezuela

President Velasquez on Corruption; Strength of Democracy

PA0411220893 Caracas Venezolana de Television Network in Spanish 1550 GMT 4 Nov 93

[From "The News" newscast]

[Text] Previously, the issue in Venezuela was corruption, then petroleum, and now it is the struggle against corruption; that is being aware that it must be combated and having the courage to report government officials in power. Democracy is no longer a mere electoral action—such as the one we will be taking part in 30 days from now—it is something more. Democracy is a way of life, it is a matter of behavior. This was stated by President Ramon Velasquez during the 402d anniversary celebration of the founding of Guarane. Velasquez said this was a new transformation of the nation in light of decentralization, indicating that given the nation's historical process this transformation could be considered accelerated. He added that Venezuela counted on a strong democracy. Here is what President Velasquez said:

[Begin Velasquez recording] A crisis such as the one in June, crises such as those in 1992 demonstrate the strength of Venezuelan democracy. Two military rebellions were averted by the Armed Forces that did not join in. Barely 10 days after the last rebellion, the second election for governors and mayors was held. [end recording]

Candidate Alvarez Paz Presents Platform

PA0511002993 Caracas Venezolana de Television Network in Spanish 1550 GMT 2 Nov 93

[Speech by Social Christian Party presidential candidate Oswaldo Alvarez Paz to announce his government platform at the Euro Building Hotel in Caracas—live]

[Text] Fellow countrymen: We are meeting today to report to Venezuela our government action plan for the 1994-99 five-year period at one of the country's most difficult times, a cheerless moment in our history, when we have the obligation to work to end the dramatic period of poverty and unhappiness that has characterized life in the Venezuela of recent years.

This action plan is the product of the work of 25 commissions covering as many sectors; it is the product of the work of more than 450 professionals and specialists from various disciplines, experts on the most diverse issues of national life.

This plan is intended to provide specific solutions for today's problems and—I repeat—to end this dramatic situation that cannot continue. Over the past 10 years Venezuela has grown tremendously poor. Two-thirds of its population lives in poverty, and of that group, one-third lives in extreme poverty. The cost of food has

grown twenty-five fold in those years, but salaries and wages increased only tenfold. Common citizens find that their salaries are below what is required to adequately feed their families.

Of all the national problems, we have selected six specific areas on which we will concentrate our efforts. These areas range from matters pertaining to the material world to ethical and moral issues, because in the end the most serious product of this period has not been only the material impoverishment of the Republic but also the deep ethical and moral deterioration of its institutions and of many of the leaders who were responsible for guiding the nation.

We present six national objectives for the next five years: first, to tackle and defeat inflation; second to consolidate a policy of social solidarity; third, to promote economic growth with social justice; fourth, to make education a crucial and basic endeavor in the next few years; fifth, to make an integral reform of the Venezuelan state an unpostponable requirement so action can be taken; and sixth, to carry out an integral program for the ethical and moral rescue of the nation.

We are going to confront inflation, which is the technical name for the cost of living and speculation, as a national task that will depend upon all sectors of the country. We must eliminate the fiscal deficit by increasing income and controlling the government's unproductive expenditures. We must do this by redefining the functions of the state so it assumes only the functions that are suitable for the government to assume and so it transfers to the private sector functions and responsibilities that the state is currently managing inefficiently and at a very high cost.

We expect to make this transfer by means of an adequate privatization process and to collect as a result up to $5 billion over the next five years. These funds will supplement fiscal income and help bring equilibrium to the country's balance sheet.

We want to promote national and foreign investment to encourage healthy competition among all areas of the economy, thus making more goods and services accessible to the neediest sectors.

We want to check inflation by increasing income and by reforming Venezuela's tax system based on the concept that those who have the most and consume the most pay the most. We want to reduce inflation below 10 percent in the first four years of our forthcoming government period. [applause.]

We want to halt inflation. [extended applause] That means freezing the accelerated impoverishment that Venezuelan has been experiencing. That, however, is not enough. We must foster an effective social solidarity policy that will strengthen the family nucleus and the lives in our communities so no citizen in this country lacks the bare necessities. [applause] The social solidarity policy will be based on an extensive action to guarantee security for people and their assets. This action would also serve to raise the minimum salary and to stimulate an increase in real salaries to a level that will effectively allow—once inflation is controlled—an increase in our workers' purchasing power. We will promote the existing social programs, broadening some while correcting others and incorporating new models within that social solidarity policy.

This policy cannot be regarded as a mere complement to the economic policy, nor as a compensation for sacrifices that in the future could be imposed on the people. I must say, with total responsibility, that the Venezuelan people have already made enough sacrifices. The sacrifices will now be made by the public sector and the government to implement the foundations of a new stage of social welfare for the nation.

We propose to raise food assistance from 500 bolivares [Bs] per child to a ceiling between Bs1,000 and Bs1,500 per child until we reach a temporary total of Bs3,000 per month for every family. [applause] It is perfectly possible, and the resources are there for that purpose. The ceiling of Bs1,500 for food assistance that was approved and implemented in 1990 is the equivalent of less than Bs700 in 1993. A basic obligation of solidarity dictates the need to substantially increase food assistance and complete the remaining social programs.

We propose an aggressive policy to cover the shortage of water and aqueduct systems in Venezuela, since 25 percent of the population does not have potable water, and 40 percent is without access to aqueduct systems. We propose an ambitious plan to stimulate housing through the housing compensation bonus for low-income groups, massive programs for the most essential, progressive urban development through lands and services, self-help construction programs, and programs to provide services to neighborhoods.

We propose to stimulate the creation of and increase job opportunities, since 200,000 new Venezuelans yearly are knocking on the door of the labor market. For that reason, a vigorous response is necessary that serves not only to lower the current unemployment index but also to provide true answers to those who reach working age without the possibility of getting a job.

We are proposing the creation of 300,000 jobs annually to meet new demands and reduce current needs. We propose creating 1.5 million new jobs in five years. These jobs will not depend on the official bureaucracy or on the state as employer but, rather, on the dynamic, sustained, and autonomous growth of our economy, which will create the jobs that are needed now.

We propose a health policy capable of resolving the two health problems that exist now: the grave public health situation, and the serious hospital problem. We propose the decentralization of services; the self-financing of public health centers; promoting preventive medicine;

and placing on states and municipalities, working jointly with the communities, the main responsibility for this sector.

We propose an ambitious social security program to replace the inefficient Venezuelan Social Security Institute, which right now cannot respond to the social needs of the people and the workers because of the way it is functioning. [applause]

We propose the creation of pension and retirement funds to guarantee to our veterans and those who retire because of age or labor accidents, honorable ways of living, as well as the creation of new financial tools to tackle specific programs.

A third national objective, in addition to inflation controls and to the consolidation of a social solidarity policy, has to do with economic growth with social justice.

We aspire to have stable and humane economic growth without inflation. Our main objective must be to improve the people's standard of living. This must be the ultimate objective of any government action. Our goal is to create a humane economy within the next few years. It will be built on the basis of liberty—liberty to work, or, in other words, the liberty of enterprise; on equal opportunity; and on competitive markets. This must be done within the framework of stable, wise, and well-established norms under the jurisdiction of an authority which will never relinquish the protagonistic role it must play in all aspects of national life but which, instead, must also put an end to its whimsical, arbitrary, and indiscriminate intervention in economic policies.

We have to overcome all the obstacles that currently impede economic growth by correcting an adverse macroeconomic framework, something that will be done as inflation is checked and other unbalances are corrected. We must improve the expensive and costly services that right now do not offer much support to the national production mechanisms. We will advance enterprise initiatives by promoting a new culture of success in Venezuela's economic life. We must improve communications services and have access to technological information and progress being secured in all parts of the world.

We propose the promotion of a new productive strategy to add value to our raw materials through adequate domestic industrialization processes and by seeking self-sufficiency in strategic productive areas of the nation. Trade integration and the new situation on the continent and in the world will contribute to a suitable orientation of our actions within the framework of this new strategy.

We want stable macroeconomic conditions so that the microeconomy may grow in an environment of healthy competition. We propose the strengthening of the infrastructures of production mechanisms.

We propose turning the Development Ministry into a true Industry and Commerce Ministry—into a new authority that would guarantee legal securities and encourage new means, outside of the courts, to resolve controversies that may arise during the economic process.

We also want to present a specific project to reform the current labor code to bring flexibility to the labor sector, to install a new benefits system, and to create necessary solidarity funds. [applause] We want to do this to enable the country to enter a more competitive phase without harming the acquired rights of the workers or their legitimate interests, which will be protected in all circumstances.

We will urgently promote a new industrial policy, and we will firmly support small and medium-sized industries and enterprises as tools for increasing jobs and wealth.

We will implement a new agricultural and livestock policy beginning on the first day of my government. It will be based on giving personal and legal security to farmers. We will transfer authority to states and municipalities, turning the National Agrarian Institute into a veritable land bank that will simply sell the enormous amount of productive land it still controls. [applause]

Our program also contemplates financial innovations within the decentralized agricultural and livestock sectors; investments in infrastructure; and educational, research, technology, and modern marketing systems to bring, as much as possible, producers and consumers closer to each other.

We plan to invest more on people than on natural resources to allow competitiveness to become truly effective. The training of our people and the promotion of the nation's technology is necessary for this country to vigorously incorporate itself within the international community and to encourage economic relations resulting from increasingly global, integrated, and all-encompassing trade.

International trade, tourism, the Guayana enterprises that will be given special attention, and the petroleum products sector will be given priority attention to reactivate Venezuela's economic life and to reform the economic development plan for the next few years.

We unreservedly support the expansion plans of Venezuelan Petroleum, Inc. We believe that petroleum products can be a tool for economic diversification and for the general stimulation of nationwide production.

The fourth national objective we are proposing is education. We propose an educational policy that will involve the participation of the entire country, especially of those who will benefit the most from that policy once it is firmly and successfully implemented—namely, the family, the community, and business.

We plan to move from state education to societal education, as befits this era. The reforming of the educational system includes decentralization and the honoring of teachers, not only in terms of salaries, wages, and social security, which must be fully guaranteed, but also in terms of integral training and acknowledgment of the functions they serve in our society.

As president and chief of state, I plan to strictly fulfill all contracts and obligations the nation has with its educators and to initiate a process to dignify the work of teachers. We should have never failed to acknowledge their work.

The new plan, which is designed to strengthen preschool education, basic education, and training for Venezuelan men and women, will be complemented by new systems for financing diversified and superior education. [applause]

Culture—viewed as a whole—sports, physical education, and recreation now form an integral part of the Venezuelan state's philosophy for education. This way, we will forge a new countryman, a new citizen—one who is better molded, better prepared, both physically and mentally, so that in due time he may, without depending on anything or anyone, respond to the obligations that relate him to this time in which we live.

We could go on listing each and every program, plan, project, and initiative prepared by the teams that have worked in the preparation of this action plan. We have announced four of the six national objectives that are fundamental to the times in which we live. The fifth is essential and cannot be postponed.

None of the things we have proposed—none of what we have said—can be fulfilled if Venezuela continues to maintain political and administrative structures as the ones extant in the nation. [applause] Therefore, it is essential to carry out an overall reform of the Venezuelan state from diverse perspectives—from perspectives that continue to dismantle and eliminate the vices that recently have deformed the Venezuelan way of life until we attain a system that allows Venezuela to function and that may allow its institutions to recover their usefulness for the common citizen, which they should never have lost.

Therefore, we propose to begin a process to dismantle the exaggerated dose of presidentialism existing up until now in Venezuela by distributing power among the 22 governors of states and the more than 280 mayors... [applause; pauses] as the first step for the construction of a new federal scheme—a new federalism that may be in a better position to provide responses to present-day needs. We need to dismantle all this culture of concentrating the political and economic power in a few hands, usually located at the center of the Republic—which we know as centralism—through a brave, aggressive, and urgent political and administrative decentralization process that reassigns duties among the different instances of the national power and transfers authority from the national level to the states and municipalities.

No matter what, it is a matter of dismantling the centralist government which intervenes in all the activities of the national life to grant each one of the states of the Republic as much autonomy as possible. We have to do this to municipalize Venezuelan public life, to strengthen as much as possible the local governments, and to transfer as much as possible national decision-making power, along with the resources of the national power, to those places in which the common citizen has his specific problem. [applause]

Only this way can we immediately open channels for the participation of the citizen and the different nongovernmental organizations that have been formed recently as a response to the government's inefficiency. This must be done in order that they may influence, in a determining manner, decisions and investments that will be made at centers of power within their reach and with the possibility of influencing and accessing them.

As a consequence, bolstering, without delay, this process for the construction of the federal regime, Venezuela needs to give regional life a new sense. This has to be done so that development may be more balanced and harmonic, so that the distribution of income may be more fair and equal throughout the Venezuelan territory, and so that each one of our communities may play their corresponding key roles.

A profound concern drives us at this time. Our democracy has been doubtlessly threatened over the past few years and the dangers have not disappeared. Democracy is not a goal, it is an instrument that must be legitimized day by day by the usefulness it may grant the society that has adopted it as a government system. Also, we must remember that society is not an abstract entity. Instead, it is people made of flesh and bone, institutions, and organizations with legitimate interests to defend, problems, and needs. The system, within a democracy, needs institutions that may allow them to reach their goals and develop normally.

I have profound doubts as to the possibility of bolstering these profound changes in the Venezuelan life through the normal and traditional channels.

I feel it has become unpostponable to once more propose, with all the seriousness circumstances demand, a Constituent Assembly as a way... [applause] to accelerate the process and dismantle all this political and administrative plot, which I have already discussed extensively.

Venezuela needs to be rebuilt on different and better bases. Venezuela needs constitutional support for the dismantling process of the concentration of presidential power, centralism, and acute partisan policies and influence peddling, which have also contributed only too well to deform public administration and bureaucracy, making public administration inefficient.

Venezuela needs to expedite this dismantling process; constitutional support has become an unpostponable obligation. Venezuela also needs, in order to expedite and simplify things, to receive constitutional support for the new socioeconomic trends that are being suggested in Venezuelan life, to allow us to meet new regional and world realities with much greater force and firmness.

On 27 July 1993, when registering my candidacy with the Supreme Electoral Council [CSE], I submitted in writing a request that the Venezuelan people be asked on 5 December whether or not they agree to be summoned to take part in a Constituent Assembly. I have not yet received a reply from the CSE. Anyway, I take this opportunity to once again make the proposal. I wish to make this proposal under important terms, because I believe that the Constituent Assembly is essential to modernizing Venezuela. I feel that the deep-seated wish for a change in today's Venezuela runs the serious risk of failure if the resolve for change, resolve to decentralize, is stifled amid these political and administrative structures.

A new constitution seems essential for Venezuela, but a new constitution in itself will not solve the problems we are undergoing; instead, it will be the instrument that will allow to build and advance in each and every one of the solutions under better conditions.

A new constitution is not a task to be undertaken at this moment; we need a new setting where new participants can join Venezuelan public life, so together with the current participants, and based on open and clear discussions taking into account the particular viewpoint that each sector has of the Venezuela it wants, they lay down the groundwork for the building of a new and great national project, which manages to unite this country. The country is breaking up and becoming an archipelago made up of islands of strange interests that barely communicate with one another, if indeed at all. We need a new setting that gives back to each citizen and each sector their leadership role and their sense of involvement in national goals—a sense they should never have lost. [applause] The goals of this Constituent Assembly are national goals, national strategies, a great national project that can serve Venezuelan unity. This assembly could be summoned immediately following the elections when the upcoming constitutional period begins. This could be done in several ways. One could be a reform to one of the current Constitution's articles to then call [the people to a referendum] and attain our goals.

In conclusion, as the great national objective of these times, we seek to rescue the ethical and moral values of the nation. Venezuela has suffered much in these past years not only because of the impoverishment we spoke about earlier, but also because of the ethical and moral deterioration of some of those people responsible for leading the country. We plan to preach with our example; we plan to have a translucent government, an honest government, an honorable government, a government with which you can disagree, a government with which you can have your differences. Even amid mistakes, which will always be circumstantial, you will never be able to doubt its integrity, goodwill, overall honesty. We need a government that can serve as an example to the present and future generations of the real sociological nature of the Venezuelan people. I refuse to accept that the people who have governed the nation in past years represented the true social and moral nature of the Venezuelan citizen who is a hard-working, serious, honest, respectful, [applause] unselfish, and sacrificing. [applause]

Preaching by giving the example, we will be relentless with the drug trafficker, speculator, or with all vice, deviation, or corruption the government may detect and punish those responsible for any abnormal situation that may be detected within the government. [applause] The time has come to clean house and we plan to really, really [repeats himself], clean the house to make it nicer, healthier, decent, and in accordance with our times. [applause] We are going to put forth all our efforts and resources, as well as the best of ourselves, in this task.

Dear fellow countrymen: We are encouraged by very noble goals that the country learned about during the campaign that led us to 25 April 1993. It was then that I received the enormous responsibility of being the person to carry the banner for the ethical and material renovation of Venezuela, when I received an enormous and historic responsibility put in my hands by the Social Christian Party, Copei. [applause] [crowd shouts: "Copei, Copei."] I am very proud to be a member of the party; I have been a member for almost 36 years. You may rest assured that Copei's green banners; that the party programs I received recently; and that the party's principles, history, and traditions will be in good hands throughout the next five years. You will never be let down. [applause] The memory of the founders of the party, men who are no longer with us because they went before us but are watching us from above, is a serious commitment for me. My commitment with those who have remained faithful to the cause will be permanent in time and space. What I am offering Copei is a new and enormous opportunity to relaunch Venezuelan democracy, the opportunity of becoming the axis around which Venezuelan public life will revolve in what remains of the 20th century and well into the 21st century. [applause] This third millennium of the Christian era must find this party as it was in its best times, as the best instrument for the common citizen, the man of our towns, of all its independent sectors, of all the men and women of goodwill, who in a democratic system need political instruments to achieve their goals and develop to the fullest.

We do not seek to replace party characteristics for party characteristics of a different color. We are going to govern for all Venezuelans, in particular for those millions of who are not members of a political party but who suffer the anguishes of [applause] unfamiliar and confusing times, of difficult and uncertain times. In light of this, we cannot continue to curse the darkness but rather we must turn on a light. We must light a very big torch that will illuminate our path and allow us to conquer the goals we have set for ourselves for the next five years of Venezuelan life.

It is possible, and many think this is true, that five years is not enough to correct all the vices and deformities of Venezuelan public life. This may not be enough for a country accustomed to things not getting done, but it is more than enough to undertake and make irreversible the policies we are planning to develop and for Venezuela to be able to begin a new phase that will prepare it, as best as possible, to face the 21st century.

In the same way that I invite the party to accompany me in this final phase and in the next five years as an axis and spine for the effort we will undertake, I also appeal this morning to our women, housewives, [applause] the women who work and who have the responsibility of raising their children. I appeal to the Venezuelan youth, to the student, to the young worker who needs and is demanding opportunities. I want you all to understand, and as I said recently at the Caracas Athenaeum during a program that all Venezuela saw, our struggle is with them and for them. When you struggle with them and for them, there is no way a battle can be lost. [applause] So let us struggle for the Venezuela we want, [applause] for a Venezuela that is within our reach.

A final message to all those who in these past few years have experienced the uncertainty of the times and, in particular, to our glorious and firm Armed Forces [applause], without whose proven democratic nature it would be impossible to hold this democratic process. Our Armed Forces have had the vision, the strength, and the courage, despite the secondary situations that have developed in Venezuela, to stay firm and faithful to the principles of the Constitution that order us to support and defend Venezuela's democratic regime and to perfect, to the utmost, our life in freedom which is the process we will undertake in the next few years.

Venezuela will not be defeated by pessimism. Venezuela will not be defeated by corruption. Venezuela will not remain anchored to the past. Venezuela will not go backwards. Today the people can freely choose their future and choose between the past, poverty, underdevelopment, backwardness, and the many problems faced by many Latin American countries, or freely and without interference choose to march forward firmly, toward the future, toward progress, modernization, toward development, toward a first world to which our people also have a right. [applause]

Let us ask God our Father, God Almighty in example, loyalty, and commitment, and ask Him to illuminate the path for this Venezuela that deserves a better future, a future it will achieve on 5 December. [applause]

Venezuelans, we are going forward with much faith, conviction, trust, and courage, in the defense of the best interests of Venezuela. [applause]

Thank you!